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STATE OF NORTH CAROLINA

SESSION LAWS AND RESOLUTIONS

PASSED BY THE

1991 GENERAL ASSEMBLY

AT ITS

EXTRA SESSION 1991

BEGINNING ON

MONDAY, THE THIRTIETH DAY OF DECEMBER, A.D. 1991

AND AT ITS

REGULAR SESSION 1992

BEGINNING ON

TUESDAY, THE TWENTY-SIXTH DAY OF MAY, A.D. 1992

HELD IN THE CITY OF RALEIGH

ISSUED BY
SECRETARY OF STATE RUFUS L. EDMISTEN

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STATE OF NORTH CAROLINA

PRESIDING OFFICERS OF THE 1991 GENERAL ASSEMBLY

JAMES C. GARDNER (R)	President of the Senate	Nash
DANIEL T. BLUE, JR.	Speaker of the House of Representatives	Wake

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EXECUTIVE BRANCH

(Offices established by the Constitution, filled by election and comprising the Council of State)

JAMES G. MARTIN (R)	Governor	Mecklenburg
JAMES C. GARDNER (R)	Lieutenant Governor	Nash
RUFUS L. EDMISTEN	Secretary of State	Watauga
EDWARD RENFROW	Auditor	Johnston
HARLAN E. BOYLES	Treasurer	Wake
BOB R. ETHERIDGE	Superintendent of Public Instruction	Harnett
LACY H. THORNBURG	Attorney General	Jackson
JAMES A. GRAHAM	Commissioner of Agriculture	Rowan
JOHN C. BROOKS	Commissioner of Labor	Wake
JAMES A. LONG	Commissioner of Insurance	Alamance

The political affiliation of each legislator and member of the Council of State listed on this and the following pages is Democratic unless designated Republican by the abbreviation (R).

G.S. 147-16.1 authorizes publication of Executive Orders of the Governor in the Session Laws of North Carolina. Executive Orders from Governor Martin are carried in the appendix to this volume.

1991 GENERAL ASSEMBLY

SENATE OFFICERS

Name	*Position*	*Address*
JAMES C. GARDNER	President	Rocky Mount
HENSON P. BARNES	President Pro Tempore	Goldsboro
KENNETH C. ROYALL, JR.	Deputy President Pro Tempore	Durham
SYLVIA M. FINK	Principal Clerk	Raleigh
LEROY CLARK, JR	Reading Clerk	Wendell
GERDA B. PLEASANTS	Sergeant-at-Arms	Cary

SENATORS

District	Name	County	Address
1	MARC BASNIGHT	Dare	Manteo
2	FRANK W. BALLANCE	Warren	Warrenton
3	BEVERLY M. PERDUE	Pamlico	New Bern
4	B. TOMMY POLLARD	Onslow	Jacksonville
5	WENDELL MURPHY	Duplin	Rose Hill
6	R. L. MARTIN	Pitt	Bethel
7	FRANKLIN BLOCK	New Hanover	Wrightsville Beach
8	HENSON P. BARNES	Wayne	Goldsboro
9	ED N. WARREN	Pitt	Greenville
10	ROY A. COOPER III	Nash	Rocky Mount
11	JAMES D. SPEED	Franklin	Louisburg
12	JOE B. RAYNOR	Cumberland	Fayetteville
12	LURA S. TALLY	Cumberland	Fayetteville
13	KENNETH C. ROYALL, JR.	Durham	Durham
13	RALPH A. HUNT	Durham	Durham
14	JOSEPH E. JOHNSON	Wake	Raleigh
14	WILLIAM W. STATON	Lee	Sanford
14	J. K. SHERRON, JR.	Wake	Raleigh
15	N. LEO DAUGHTRY (R)	Johnston	Smithfield
16	RUSSELL G. WALKER	Randolph	Asheboro
16	HOWARD N. LEE*	Orange	Chapel Hill
17	J. RICHARD CONDER	Richmond	Rockingham
17	AARON W. PLYLER	Union	Monroe
18	R. C. SOLES, JR	Columbus	Tabor City
19	ROBERT G. SHAW (R)	Guilford	Greensboro
20	MARVIN M. WARD	Forsyth	Winston-Salem
20	TED KAPLAN	Forsyth	Lewisville
21	GEORGE B. DANIEL	Caswell	Yanceyville
22	FLETCHER L. HARTSELL, JR.	Cabarrus	Concord
23	BETSY L. COCHRANE(R)	Davie	Advance
23	PAUL S. SMITH (R)	Rowan	Salisbury
24	WILLIAM D. GOLDSTON, JR.	Rockingham	Eden
24	A. P. SANDS III	Rockingham	Reidsville
25	JOHN CARTER (R)	Cleveland	Lincolnton
25	HELEN RHYNE MARVIN	Gaston	Gastonia
25	JAMES FORRESTER (R)	Gaston	Stanley
26	AUSTIN M. ALLRAN (R)	Catawba	Hickory
26	HOWARD F. BRYAN (R)	Iredell	Statesville
27	DONALD R. KINCAID (R)	Caldwell	Lenoir
27	DANIEL R. SIMPSON (R)	Burke	Morganton
28	HERBERT LEE HYDE	Buncombe	Asheville
28	DENNIS J. WINNER	Buncombe	Asheville
29	CLARK PLEXICO	Haywood	Hendersonville
29	ROBERT C. CARPENTER (R)	Macon	Franklin
30	DAVID RUSSELL PARNELL	Robeson	Parkton
31	WILLIAM N. MARTIN	Guilford	Greensboro
32	MARY P. SEYMOUR	Guilford	Greensboro
33	JAMES F. RICHARDSON	Mecklenburg	Charlotte
34	T. L. ODOM	Mecklenburg	Charlotte
35	JOHN GERALD BLACKMON	Mecklenburg	Charlotte

HOUSE OFFICERS

Name	*Position*	*Address*
DANIEL T. BLUE, JR.	Speaker	Raleigh, Wake County
MARIE W. COLTON	Speaker Pro Tempore	Asheville, Buncombe County
GRACE A. COLLINS	Principal Clerk	Fuquay-Varina, Wake County
SAM J. BURROW, JR.	Reading Clerk	Cary, Wake County
LARRY P. EAGLES	Sergeant-at-Arms	Tarboro, Edgecombe County

REPRESENTATIVES

District	Name	County	Address
1	VERNON G. JAMES	Pasquotank	Elizabeth City
1	R. M. THOMPSON	Chowan	Edenton
2	HOWARD B. CHAPIN	Beaufort	Washington
3	GERALD L. ANDERSON	Craven	Bridgeton
3	DANIEL T. LILLEY	Lenoir	Kinston
3	WILLIAM L. WAINWRIGHT	Craven	Havelock
4	W. BRUCE ETHRIDGE	Onslow	Swansboro
4	ROBERT GRADY (R)	Onslow	Jacksonville
4	RONNIE SMITH	Onslow	Atlantic Beach
5	HOWARD J. HUNTER	Hertford	Murfreesboro
6	GENE ROGERS	Martin	Williamston
7	THOMAS C. HARDAWAY	Halifax	Enfield
8	JOE MAVRETIC	Edgecombe	Crisp
9	WALTER B. JONES, JR.	Pitt	Farmville
9	CHARLES MCLAWHORN	Pitt	Winterville
10	CHARLES W. ALBERTSON	Duplin	Beulaville
11	JOHN KERR	Wayne	Goldsboro
11	CAROLYN RUSSELL (R)	Wayne	Goldsboro
12	EDD NYE	Bladen	Elizabethtown
12	ED BOWEN	Sampson	Harrells
13	KAREN E. GOTTOVI	New Hanover	Wilmington
13	HARRY E. PAYNE	New Hanover	Wilmington
14	E. DAVID REDWINE	Brunswick	Shallotte
15	LEO MERCER	Columbus	Chadbourn
16	DANIEL H. DEVANE	Hoke	Raeford
16	JOHN CALVIN HASTY	Robeson	Maxton
16	ADOLPH DIAL	Robeson	Pembroke
17	MARY E. MCALLISTER	Cumberland	Fayetteville
17	NICK JERALDS	Cumberland	Fayetteville
18	R. D. BEARD	Cumberland	Fayetteville
18	JOHN W. HURLEY	Cumberland	Fayetteville
18	ALEX WARNER	Cumberland	Hope Mills
19	C. P. STEWART	Harnett	Lillington
19	DENNIS A. WICKER	Lee	Sanford
20	BILLY J. CREECH (R)	Johnston	Wilson Mills
20	BARNEY PAUL WOODARD	Johnston	Princeton
21	DANIEL T. BLUE, JR.	Wake	Raleigh
22	JOHN T. CHURCH	Vance	Henderson
22	JAMES W. CRAWFORD, JR.	Granville	Oxford
22	JAMES P. GREEN, SR.	Vance	Henderson
23	H. M. MICHAUX, JR.	Durham	Durham
23	GEORGE W. MILLER	Durham	Durham
23	PAUL LUEBKE	Durham	Durham
24	ANNE C. BARNES	Orange	Chapel Hill
24	JOE HACKNEY	Orange	Chapel Hill
25	J. FRED BOWMAN	Alamance	Burlington
25	BERTHA HOLT	Alamance	Burlington
25	SAM HUNT, III	Alamance	Burlington
25	PEGGY WILSON	Rockingham	Madison
26	HERMAN C. GIST	Guilford	Greensboro
27	JOANNE W. BOWIE (R)	Guilford	Greensboro
27	ALBERT S. LINEBERRY, SR.	Guilford	Greensboro
27	MAGGIE JEFFUS	Guilford	Greensboro
28	MARY JERRELL	Guilford	High Point
28	STEPHEN WOOD (R)	Guilford	High Point
29	MICHAEL P. DECKER (R)	Forsyth	Walkertown
30	ARLIE F. CULP (R)	Randolph	Ramseur

31	RICHARD T. MORGAN(R)	Moore	Pinehurst
32	DONALD DAWKINS	Richmond	Rockingham
33	FOYLE HIGHTOWER, JR.	Anson	Wadesboro
34	BOBBY H. BARBEE, SR. (R)	Stanly	Locust
34	CLAYTON LOFLIN (R)	Union	Monroe
34	COY C. PRIVETTE (R)	Cabarrus	Kannapolis
34	TIMOTHY TALLENT (R)	Cabarrus	Concord
35	CHARLOTTE A. GARDNER (R)	Rowan	Salisbury
35	BRADFORD V. LIGON (R)	Rowan	Salisbury
36	JAMES B. BLACK(R)	Mecklenburg	Matthews
37	JERRY C. DOCKHAM(R)	Davidson	Denton
37	JOE H. HEGE, JR. (R)	Davidson	Lexington
37	JULIA C. HOWARD (R)	Davie	Mocksville
38	HAROLD J. BRUBAKER (R)	Randolph	Asheboro
39	LYONS GRAY(R)	Forsyth	Winston-Salem
39	THERESA H. ESPOSITO (R)	Forsyth	Winston-Salem
39	FRANK E. RHODES (R)	Forsyth	Winston-Salem
40	DAVID H. DIAMONT	Surry	Pilot Mountain
40	JUDY HUNT	Watauga	Blowing Rock
40	WADE WILMOTH (R)	Watauga	Boone
41	JOHN WALTER BROWN (R)	Wilkes	Elkin
41	GEORGE M. HOLMES (R)	Yadkin	Yadkinville
42	J. WAYNE KAHL	Iredell	Union Grove
43	C. ROBERT BRAWLEY (R)	Iredell	Mooresville
44	J. VERNON ABERNETHY (R)	Gaston	Gastonia
44	W. W. DICKSON (R)	Gaston	Gastonia
44	JOHNATHAN L. RHYNE, JR. (R)	Lincoln	Lincolnton
44	JOHN R. GAMBLE	Lincoln	Lincolnton
45	DORIS ROGERS HUFFMAN (R)	Catawba	Newton
45	W. STINE ISENHOWER (R)	Catawba	Conover
46	CHARLES F. BUCHANAN (R)	Mitchell	Green Mountain
46	DAVID T. FLAHERTY, JR. (R)	Caldwell	Lenoir
46	GEORGE S. ROBINSON (R)	Caldwell	Lenoir
47	RAY C. FLETCHER	Burke	Valdese
48	JOHN J. HUNT	Cleveland	Lattimore
48	EDITH LUTZ	Cleveland	Lawndale
48	WILLIAM WITHROW	Cleveland	Ellenboro
49	ROBERT C. HUNTER	McDowell	Marion
50	LARRY T. JUSTUS (R)	Henderson	Hendersonville
51	MARIE W. COLTON	Buncombe	Asheville
51	NARVEL J. CRAWFORD	Buncombe	Asheville
51	GORDON H. GREENWOOD	Buncombe	Black Mountain
51	MARTIN NESBITT	Buncombe	Asheville
52	CHARLES M. BEALL	Haywood	Clyde
52	LISTON B. RAMSEY	Madison	Marshall
53	MARTY KIMSEY (R)	Macon	Franklin
54	JOHN B. MCLAUGHLIN	Mecklenburg	Newell
55	DAVID G. BALMER (R)	Mecklenburg	Charlotte
56	JO GRAHAM FOSTER	Mecklenburg	Charlotte
57	HARRY GRIMMER (R)	Mecklenburg	Matthews
58	RUTH M. EASTERLING	Mecklenburg	Charlotte
59	W. PETE CUNNINGHAM	Mecklenburg	Charlotte
60	HOWARD C. BARNHILL	Mecklenburg	Charlotte
61	ART POPE (R)	Wake	Raleigh
62	LARRY M. JORDAN	Wake	Apex
63	PEGGY STAMEY	Wake	Raleigh
64	BOB HENSLEY	Wake	Raleigh
65	AARON E. FUSSELL	Wake	Raleigh
66	ANNIE BROWN KENNEDY	Forsyth	Winston-Salem
67	WARREN OLDHAM	Forsyth	Winston-Salem
68	Incorporated into District No. 23 as ordered by the Federal Courts.		
69	Incorporated into District No. 23 as ordered by the Federal Courts.		
70	MILTON F. FITCH, JR.	Wilson	Wilson
71	WILLIAM W. LEWIS (R)	Wilson	Wilson
72	EDWARD L. MCGEE	Nash	Rocky Mount

LEGISLATIVE SERVICES COMMISSION

SENATE PRESIDENT PRO TEMPORE HENSON P. BARNES, *Cochairman*

HOUSE SPEAKER DANIEL T. BLUE, JR., *Cochairman*

SEN. MARC BASNIGHT
SEN. BETSY L. COCHRANE
SEN. WILLIAM MARTIN
SEN. DAVID PARNELL
SEN. BEVERLY PERDUE
SEN. JOE RAYNOR

REP. J. V. ABERNETHY
REP. ROBERT J. HENSLEY, JR.
REP. MARY MCALLISTER
REP. HARRY PAYNE
REP. GEORGE ROBINSON
REP. DENNIS WICKER

LEGISLATIVE SERVICES STAFF DIRECTORS

GEORGE R. HALL, JR. ..... Legislative Administrative Officer
GERRY F. COHEN ..... Director of Bill Drafting
THOMAS L. COVINGTON ..... Director of Fiscal Research
M. GLENN NEWKIRK ..... Director of Legislative Automated Systems
TERRENCE D. SULLIVAN ..... Director of Research
J. MICHAEL MINSHEW ..... Building Superintendent and Chief of Security

PREAMBLE

We, the people of the State of North Carolina, grateful to Almighty God, the Sovereign Ruler of Nations, for the preservation of the American Union and the existence of our civil, political and religious liberties, and acknowledging our dependence upon Him for the continuance of those blessings to us and our posterity, do, for the more certain security thereof and for the better government of this State, ordain and establish this Constitution.

ARTICLE I

DECLARATION OF RIGHTS

That the great, general, and essential principles of liberty and free government may be recognized and established, and that the relations of this State to the Union and government of the United States and those of the people of this State to the rest of the American people may be defined and affirmed, we do declare that:

Section 1. *The equality and rights of persons.* We hold it to be self-evident that all persons are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, the enjoyment of the fruits of their own labor, and the pursuit of happiness.

Sec. 2. *Sovereignty of the people.* All political power is vested in and derived from the people; all government of right originates from the people, is founded upon their will only, and is instituted solely for the good of the whole.

Sec. 3. *Internal government of the State.* The people of this State have the inherent, sole, and exclusive right of regulating the internal government and police thereof, and of altering or abolishing their Constitution and form of government whenever it may be necessary to their safety and happiness; but every such right shall be exercised in pursuance of law and consistently with the Constitution of the United States.

Sec. 4. *Secession prohibited.* This State shall ever remain a member of the American Union; the people thereof are part of the American Nation; there is no right on the part of this State to secede; and all attempts from whatever source or upon whatever pretext, to dissolve this Union or to sever this Nation, shall be resisted with the whole power of the State.

Sec. 5. *Allegiance to the United States.* Every citizen of this State owes paramount allegiance to the Constitution and government of the United States, and no law or ordinance of the State in contravention or subversion thereof can have any binding force.

Sec. 6. *Separation of powers.* The legislative, executive, and supreme judicial powers of the State government shall be forever separate and distinct from each other.

Sec. 7. *Suspending laws.* All power of suspending laws or the execution of laws by any authority, without the consent of the representatives of the people, is injurious to their rights and shall not be exercised.

Sec. 8. *Representation and taxation.* The people of this State shall not be taxed or made subject to the payment of any impost or duty without the consent of themselves or their representatives in the General Assembly, freely given.

Sec. 9. *Frequent elections.* For redress of grievances and for amending and strengthening the laws, elections shall be often held.

Sec. 10. *Free elections.* All elections shall be free.

Sec. 11. *Property qualifications.* As political rights and privileges are not dependent upon or modified by property, no property qualification shall affect the right to vote or hold office.

Sec. 12. *Right of assembly and petition.* The people have a right to assemble together to consult for their common good, to instruct their representatives, and to apply to the General Assembly for redress of grievances; but secret political societies are dangerous to the liberties of a free people and shall not be tolerated.

Sec. 13. *Religious liberty.* All persons have a natural and inalienable right to worship Almighty God according to the dictates of their own consciences, and no human authority shall, in any case whatever, control or interfere with the rights of conscience.

Sec. 14. *Freedom of speech and press.* Freedom of speech and of the press are two of the great bulwarks of liberty and therefore shall never be restrained, but every person shall be held responsible for their abuse.

Sec. 15. *Education.* The people have a right to the privilege of education, and it is the duty of the State to guard and maintain that right.

Sec. 16. *Ex post facto laws.* Retrospective laws, punishing acts committed before the existence of such laws and by them only declared criminal, are oppressive, unjust, and incompatible with liberty, and therefore no ex post facto law shall be enacted. No law taxing retrospectively sales, purchases, or other acts previously done shall be enacted.

Sec. 17. *Slavery and involuntary servitude.* Slavery is forever prohibited. Involuntary servitude, except as a punishment for crime whereof the parties have been adjudged guilty, is forever prohibited.

Sec. 18. *Court shall be open.* All courts shall be open; every person for an injury done him in his lands, goods, person, or reputation shall have remedy by due course of law; and right and justice shall be administered without favor, denial, or delay.

Sec. 19. *Law of the land; equal protection of the laws.* No person shall be taken, imprisoned, or disseized of his freehold, liberties, or privileges, or outlawed, or exiled, or in any manner deprived of his life, liberty, or property, but by the law of the land. No person shall be denied the equal protection of the laws; nor shall any person be subjected to discrimination by the State because of race, color, religion, or national origin.

Sec. 20. *General warrants.* General warrants, whereby any officer or other person may be commanded to search suspected places without evidence of the act committed, or to seize any person or persons not named, whose offense is not particularly described and supported by evidence, are dangerous to liberty and shall not be granted.

Sec. 21. *Inquiry into restraints on liberty.* Every person restrained of his liberty is entitled to a remedy to inquire into the lawfulness thereof, and to remove the restraint if unlawful, and that remedy shall not be denied or delayed. The privilege of the writ of habeas corpus shall not be suspended.

Sec. 22. *Modes of prosecution.* Except in misdemeanor cases initiated in the District Court Division, no person shall be put to answer any criminal charge but by indictment, presentment, or impeachment. But any person, when represented by counsel, may, under such regulations as the General Assembly shall prescribe, waive indictment in noncapital cases.

Sec. 23. *Rights of accused.* In all criminal prosecutions, every person charged with crime has the right to be informed of the accusation and to confront the accusers and witnesses with other testimony, and to have counsel for defense, and not be compelled to give self-incriminating evidence, or to pay costs, jail fees, or necessary witness fees of the defense, unless found guilty.

Sec. 24. *Right of jury trial in criminal cases.* No person shall be convicted of any crime but by the unanimous verdict of a jury in open court. The General Assembly may, however, provide for other means of trial for misdemeanors, with the right of appeal for trial de novo.

Sec. 25. *Right of jury trial in civil cases.* In all controversies at law respecting property, the ancient mode of trial by jury is one of the best securities of the rights of the people, and shall remain sacred and inviolable.

Sec. 26. *Jury service.* No person shall be excluded from jury service on account of sex, race, color, religion, or national origin.

Sec. 27. *Bail, fines, and punishments.* Excessive bail shall not be required, nor excessive fines imposed, nor cruel or unusual punishments inflicted.

Sec. 28. *Imprisonment for debt.* There shall be no imprisonment for debt in this State, except in cases of fraud.

Sec. 29. *Treason against the State.* Treason against the State shall consist only of levying war against it or adhering to its enemies by giving them aid and comfort. No person shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court. No conviction of treason or attainder shall work corruption of blood or forfeiture.

Sec. 30. *Militia and the right to bear arms.* A well regulated militia being necessary to the security of a free State, the right of the people to keep and bear arms shall not be infringed; and, as standing armies in time of peace are dangerous to liberty, they shall not be maintained, and the military shall be kept under strict subordination to, and governed by, the civil power. Nothing herein shall justify the practice of carrying concealed weapons, or prevent the General Assembly from enacting penal statutes against that practice.

Sec. 31. *Quartering of soldiers.* No soldier shall in time of peace be quartered in any house without the consent of the owner, nor in time of war but in a manner prescribed by law.

Sec. 32. *Exclusive emoluments.* No person or set of persons is entitled to exclusive or separate emoluments or privileges from the community but in consideration of public services.

Sec. 33. *Hereditary emoluments and honors.* No hereditary emoluments, privileges, or honors shall be granted or conferred in this State.

Sec. 34. *Perpetuities and monopolies.* Perpetuities and monopolies are contrary to the genius of a free state and shall not be allowed.

Sec. 35. *Recurrence to fundamental principles.* A frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty.

Sec. 36. *Other rights of the people.* The enumeration of rights in this Article shall not be construed to impair or deny others retained by the people.

ARTICLE II

LEGISLATIVE

Section 1. *Legislative power.* The legislative power of the State shall be vested in the General Assembly, which shall consist of a Senate and a House of Representatives.

Sec. 2. *Number of Senators.* The Senate shall be composed of 50 Senators, biennially chosen by ballot.

Sec. 3. *Senate districts; apportionment of Senators.* The Senators shall be elected from districts. The General Assembly, at the first regular session convening after the return of every decennial census of population taken by order of Congress, shall revise the senate districts and the apportionment of Senators among those districts, subject to the following requirements:

(1) Each Senator shall represent, as nearly as may be, an equal number of inhabitants, the number of inhabitants that each Senator represents being determined for this purpose by dividing the population of the District that he represents by the number of Senators apportioned to that district:

(2) Each senate district shall at all times consist of contiguous territory;

(3) No county shall be divided in the formation of a senate district;

(4) When established, the senate districts and the apportionment of Senators shall remain unaltered until the return of another decennial census of population taken by order of Congress.

Sec. 4. *Number of Representatives.* The House of Representatives shall be composed of 120 Representatives, biennially chosen by ballot.

Sec. 5. *Representative districts; apportionment of Representatives.* The Representatives shall be elected from districts. The General Assembly, at the first regular session convening after the return of every decennial census of population taken by order of Congress, shall revise the representative districts and the apportionment of Representatives among those districts, subject to the following requirements:

(1) Each Representative shall represent, as nearly as may be, an equal number of inhabitants, the number of inhabitants that each Representative represents being determined for this purpose by dividing the population of the district that he represents by the number of Representatives apportioned to that district;

(2) Each representative district shall at all times consist of contiguous territory;

(3) No county shall be divided in the formation of a representative district;

(4) When established, the representative districts and the apportionment of Representatives shall remain unaltered until the return of another decennial census of population taken by order of Congress.

Sec. 6. *Qualifications for Senator.* Each Senator, at the time of his election, shall be not less than 25 years of age, shall be a qualified voter of the State, and shall have resided in the State as a citizen for two years and in the district for which he is chosen for one year immediately preceding his election.

Sec. 7. *Qualifications for Representative.* Each Representative, at the time of his election, shall be a qualified voter of the State, and shall have resided in the district for which he is chosen for one year immediately preceding his election.

Sec. 8. *Elections.* The election for members of the General Assembly shall be held for the respective districts in 1972 and every two years thereafter, at the places and on the day prescribed by law.

Sec. 9. *Term of office.* The term of office of Senators and Representatives shall commence on the first day of January next after their election.

Sec. 10. *Vacancies.* Every vacancy occurring in the membership of the General Assembly by reason of death, resignation, or other cause shall be filled in the manner prescribed by law.

Sec. 11. *Sessions.*

(1) *Regular Sessions.* The General Assembly shall meet in regular session in 1973 and every two years thereafter on the day prescribed by law. Neither house shall proceed upon public business unless a majority of all of its members are actually present.

(2) *Extra sessions on legislative call.* The President of the Senate and the Speaker of the House of Representatives shall convene the General Assembly in extra session by their joint proclamation upon receipt by the President of the Senate of written requests therefor signed by three-fifths of all the members of the Senate and upon receipt by the Speaker of the House of Representatives of written requests therefor signed by three-fifths of all the members of the House of Representatives.

Sec. 12. *Oath of members.* Each member of the General Assembly, before taking his seat, shall take an oath or affirmation that he will support the Constitution and laws of the United States and the Constitution of the State of North Carolina, and will faithfully discharge his duty as a member of the Senate or House of Representatives.

Sec. 13. *President of the Senate.* The Lieutenant Governor shall be President of the Senate and shall preside over the Senate, but shall have no vote unless the Senate is equally divided.

Sec. 14. *Other officers of the Senate.*

(1) *President Pro Tempore - succession to presidency.* The Senate shall elect from its membership a President Pro Tempore, who shall become President of the Senate upon the failure of the Lieutenant Governor-elect to qualify, or upon succession by the Lieutenant Governor to the office of Governor, or upon the death, resignation, or

removal from office of the President of the Senate, and who shall serve until the expiration of his term of office as Senator.

(2) *President Pro Tempore - temporary succession.* During the physical or mental incapacity of the President of the Senate to perform the duties of his office, or during the absence of the President of the Senate, the President Pro Tempore shall preside over the Senate.

(3) *Other officers.* The Senate shall elect its other officers.

Sec. 15. *Officers of the House of Representatives.* The House of Representatives shall elect its Speaker and other officers.

Sec. 16. *Compensation and allowances.* The members and officers of the General Assembly shall receive for their services the compensation and allowances prescribed by law. An increase in the compensation or allowances of members shall become effective at the beginning of the next regular session of the General Assembly following the session at which it was enacted.

Sec. 17. *Journals.* Each house shall keep a journal of its proceedings, which shall be printed and made public immediately after the adjournment of the General Assembly.

Sec. 18. *Protests.* Any member of either house may dissent from and protest against any act or resolve which he may think injurious to the public or to any individual, and have the reasons of his dissent entered on the journal.

Sec. 19. *Record votes.* Upon motion made in either house and seconded by one fifth of the members present, the yeas and nays upon any question shall be taken and entered upon the journal.

Sec. 20. *Powers of the General Assembly.* Each house shall be judge of the qualifications and elections of its own members, shall sit upon its own adjournment from day to day, and shall prepare bills to be enacted into laws. The two houses may jointly adjourn to any future day or other place. Either house may, of its own motion, adjourn for a period not in excess of three days.

Sec. 21. *Style of the acts.* The style of the acts shall be: "The General Assembly of North Carolina enacts:".

Sec. 22. *Action on bills.* All bills and resolutions of a legislative nature shall be read three times in each house before they become laws, and shall be signed by the presiding officers of both houses.

Sec. 23. *Revenue bills.* No laws shall be enacted to raise money on the credit of the State, or to pledge the faith of the State directly or indirectly for the payment of any debt, or to impose any tax upon the people of the State, or to allow the counties, cities, or towns to do so, unless the bill for the purpose shall have been read three several times in each house of the General Assembly and passed three several readings, which readings shall have been on three different days, and shall have been agreed to by each house respectively, and unless the yeas and nays on the second and third readings of the bill shall been entered on the journal.

Sec. 24. *Limitations on local, private, and special legislation.*

(1) *Prohibited subjects.* The General Assembly shall not enact any local, private, or special act or resolution:

(a) Relating to health, sanitation, and the abatement of nuisances;

(b) Changing the names of cities, towns, and townships;

(c) Authorizing the laying out, opening, altering, maintaining, or discontinuing of highways, streets, or alleys;

(d) Relating to ferries or bridges;

(e) Relating to non-navigable streams;

(f) Relating to cemeteries;

(g) Relating to the pay of jurors;

(h) Erecting new townships, or changing township lines, or establishing or changing the lines of school districts;

(i) Remitting fines, penalties, and forfeitures, or refunding moneys legally paid into the public treasury;

(j) Regulating labor, trade, mining, or manufacturing;

(k) Extending the time for the levy or collection of taxes or otherwise relieving any collector of taxes from the due performance of his official duties or his sureties from liability;

(l) Giving effect to informal wills and deeds;

(m) Granting a divorce or securing alimony in any individual case;

(n) Altering the name of any person, or legitimating any person not born in lawful wedlock, or restoring to the rights of citizenship any person convicted of a felony.

(2) *Repeals.* Nor shall the General Assembly enact any such local, private, or special act by partial repeal of a general law; but the General Assembly may at any time repeal local, private, or special laws enacted by it.

(3) *Prohibited acts void.* Any local, private, or special act or resolution enacted in violation of the provisions of this Section shall be void.

(4) *General laws.* The General Assembly may enact general laws regulating the matters set out in this Section.

ARTICLE III

EXECUTIVE

Section 1. *Executive power.* The executive power of the State shall be vested in the Governor.

Sec. 2. *Governor and Lieutenant Governor: election, term, and qualifications.*

(1) *Election and term.* The Governor and Lieutenant Governor shall be elected by the qualified voters of the State in 1972 and every four years thereafter, at the same time and places as members of the General Assembly are elected. Their term of office shall be four years and shall commence on the first day of January next after their election and continue until their successors are elected and qualified.

(2) *Qualifications.* No person shall be eligible for election to the office of Governor or Lieutenant Governor unless, at the time of his election, he shall have attained the age of 30 years and shall have been a citizen of the United States for five years and a resident of this State for two years immediately preceding his election. No person elected to the Office of Governor or Lieutenant Governor shall be eligible for election to more than two consecutive terms of the same office.

Sec. 3. *Succession to office of Governor.*

(1) *Succession as Governor.* The Lieutenant Governor-elect shall become Governor upon the failure of the Governor-elect to qualify.

The Lieutenant Governor shall become Governor upon the death, resignation, or removal from office of the Governor. The further order of succession to the office of Governor shall be prescribed by law. A successor shall serve for the remainder of the term of the Governor whom he succeeds and until a new Governor is elected and qualified.

(2) *Succession as Acting Governor.* During the absence of the Governor from the State, or during the physical or mental incapacity of the Governor to perform the duties of his office, the Lieutenant Governor shall be Acting Governor. The further order of succession as Acting Governor shall be prescribed by law.

(3) *Physical incapacity.* The Governor may, by a written statement filed with the Attorney General, declare that he is physically incapable of performing the duties of his office, and may thereafter in the same manner declare that he is physically capable of performing the duties of his office.

(4) *Mental incapacity.* The mental incapacity of the Governor to perform the duties of his office shall be determined only by joint resolution adopted by a vote of two-thirds of all the members of each house of the General Assembly. Thereafter, the mental capacity of the Governor to perform the duties of his office shall be determined only by joint resolution adopted by a vote of a majority of all the members of each house of the General Assembly. In all cases, the General Assembly shall give the Governor such notice as it may deem proper and shall allow him an opportunity to be heard before a joint session of the General Assembly before it takes final action. When the General Assembly is not in session, the Council of State, a majority of its members concurring, may convene it in extra session for the purpose of proceeding under this paragraph.

(5) *Impeachment.* Removal of the Governor from office for any other cause shall be by impeachment.

Sec. 4. *Oath of office for Governor.* The Governor, before entering upon the duties of his office, shall, before any Justice of the Supreme Court, take an oath or affirmation that he will support the Constitution and laws of the United States and of the State of North Carolina, and that he will faithfully perform the duties pertaining to the office of governor.

Sec. 5. *Duties of Governor.*

(1) *Residence.* The Governor shall reside at the seat of government of this State.

(2) *Information to General Assembly.* The Governor shall from time to time give the General Assembly information of the affairs of the State and recommend to their consideration such measures as he shall deem expedient.

(3) *Budget.* The Governor shall prepare and recommend to the General Assembly a comprehensive budget of the anticipated revenue and proposed expenditures of the State for the ensuing fiscal period. The budget as enacted by the General Assembly shall be administered by the Governor.

The total expenditures of the State for the fiscal period covered by the budget shall not exceed the total of receipts during that fiscal period and the surplus remaining in the State Treasury at the beginning of the period. To insure that the State does not incur a deficit for any fiscal period, the Governor shall continually survey the collection of the revenue and shall effect the necessary economies in State expenditures, after first making adequate provision for the prompt payment of the principal of and interest on bonds and notes of the State according to their terms, whenever he determines that receipts during the fiscal period, when added to any surplus remaining in the State Treasury at the beginning of the period, will not be sufficient to meet budgeted expenditures. This section shall not be construed to impair the power of the State to issue its bonds and notes within the limitations imposed in Article V of this Constitution, nor to impair the obligation of bonds and notes of the State now outstanding or issued hereafter.

(4) *Execution of laws.* The Governor shall take care that the laws be faithfully executed.

(5) *Commander in Chief.* The Governor shall be Commander in Chief of the military forces of the State except when they shall be called into the service of the United States.

(6) *Clemency.* The Governor may grant reprieves, commutations, and pardons, after conviction, for all offenses (except in cases of impeachment), upon such conditions as he may think proper, subject to regulations prescribed by law relative to the manner of applying for pardons. The terms reprieves, commutations, and pardons shall not include paroles.

(7) *Extra sessions.* The Governor may, on extraordinary occasions, by and with the advice of the Council of State, convene the General Assembly in extra session by his proclamation, stating therein the purpose or purposes for which they are thus convened.

(8) *Appointments.* The Governor shall nominate and by and with the advice and consent of a majority of the Senators appoint all officers whose appointments are not otherwise provided for.

(9) *Information.* The Governor may at any time require information in writing from the head of any administrative department or agency upon any subject relating to the duties of his office.

(10) *Administrative reorganization.* The General Assembly shall prescribe the functions, powers, and duties of the administrative departments and agencies of the State and may alter them from time to time, but the Governor may make such changes in the allocation of offices and agencies and in the allocation of those functions, powers, and duties as he considers necessary for efficient administration. If those changes affect existing law, they shall be set forth in executive orders, which shall be submitted to the General Assembly not later than the sixtieth calendar day of its session, and shall become effective and shall have the force of law upon adjournment sine die of the session, unless specifically disapproved by resolution of either house of the General Assembly or specifically modified by joint resolution of both houses of the General Assembly.

Sec. 6. *Duties of the Lieutenant Governor.* The Lieutenant Governor shall be President of the Senate, but shall have no vote unless the Senate is equally divided. He shall perform such additional duties as the General Assembly or the Governor may assign to him. He shall receive the compensation and allowances prescribed by law.

Sec. 7. *Other elective officers.*

(1) *Officers.* A Secretary of State, an Auditor, a Treasurer, a Superintendent of Public Instruction, an Attorney General, a Commissioner of Agriculture, a Commissioner of Labor, and a Commissioner of Insurance shall be elected by the qualified voters of the State in 1972 and every four years thereafter, at the same time and places as members of the General Assembly are elected. Their term of office shall be four years and shall commence on the first day of January next after their election and continue until their successors are elected and qualified.

(2) *Duties.* Their respective duties shall be prescribed by law.

(3) *Vacancies.* If the office of any of these officers is vacated by death, resignation, or otherwise, it shall be the duty of the Governor to appoint another to serve until his successor is elected and qualified. Every such vacancy shall be filled by election at the first election for members of the General Assembly that occurs more than 60 days after the vacancy has taken place, and the person chosen shall hold the office for the remainder of the unexpired term fixed in this Section. When a vacancy occurs in the office of any of the officers named in this Section and the term expires on the first day of January succeeding the next election for members of the General Assembly, the Governor shall appoint to fill the vacancy for the unexpired term of the office.

(4) *Interim officers.* Upon the occurrence of a vacancy in the office of any one of these officers for any of the causes stated in the preceding paragraph, the Governor may appoint an interim officer to perform the duties of that office until a person is appointed or elected pursuant to this Section to fill the vacancy and is qualified.

(5) *Acting officers.* During the physical or mental incapacity of any one of these officers to perform the duties of his office, as determined pursuant to this Section, the duties of his office shall be performed by an acting officer who shall be appointed by the Governor.

(6) *Determination of incapacity.* The General Assembly shall by law prescribe with respect to those officers, other than the Governor, whose offices are created by this Article, procedures for determining the physical or mental incapacity of any officer to perform the duties of his office, and for determining whether an officer who has been temporarily incapacitated has sufficiently recovered his physical or mental capacity to perform the duties of his office. Removal of those officers from office for any other cause shall be by impeachment.

(7) *Special Qualifications for Attorney General.* Only persons duly authorized to practice law in the courts of this State shall be eligible for appointment or election as Attorney General.

Sec. 8. *Council of State.* The Council of State shall consist of the officers whose offices are established by this Article.

Sec. 9. *Compensation and allowances.* The officers whose offices are established by this Article shall at stated periods receive the compensation and allowances prescribed by law, which shall not be diminished during the time for which they have been chosen.

Sec. 10. *Seal of State.* There shall be a seal of the State, which shall be kept by the Governor and used by him as occasion may require, and shall be called "The Great Seal of the State of North Carolina". All grants or commissions shall be issued in the name and by the authority of the State of North Carolina, sealed with "The Great Seal of the State of North Carolina", and signed by the Governor.

Sec. 11. *Administrative departments.* Not later than July 1, 1975, all administrative departments, agencies, and offices of the State and their respective functions, powers, and duties shall be allocated by law among and within not more than 25 principal administrative departments so as to group them as far as practicable according to major purposes. Regulatory, quasi-judicial, and temporary agencies may, but need not, be allocated within a principal department.

ARTICLE IV

JUDICIAL

Section 1. *Judicial power.* The judicial power of the State shall, except as provided in Section 3 of this Article, be vested in a Court for the Trial of Impeachments and in a General Court of Justice. The General Assembly shall have no power to deprive the judicial department of any power or jurisdiction that rightfully pertains to it as a coordinate department of the government, nor shall it establish or authorize any courts other than as permitted by this Article.

Sec. 2. *General Court of Justice.* The General Court of Justice shall constitute a unified judicial system for purposes of jurisdiction, operation, and administration, and shall consist of an Appellate Division, a Superior Court Division, and a District Court Division.

Sec. 3. *Judicial powers of administrative agencies.* The General Assembly may vest in administrative agencies established pursuant to law such judicial powers as may be reasonably necessary as an incident to the accomplishment of the purposes for which the agencies were created. Appeals from administrative agencies shall be to the General Court of Justice.

Sec. 4. *Court for the Trial of Impeachments.* The House of Representatives solely shall have the power of impeaching. The Court for the Trial of Impeachments shall be the Senate. When the Governor or Lieutenant Governor is impeached, the Chief Justice shall preside over the Court. A majority of members shall be necessary to a quorum, and no person shall be convicted without the concurrence

of two-thirds of the Senators present. Judgment upon conviction shall not extend beyond removal from and disqualification to hold office in this State, but the party shall be liable to indictment and punishment according to law.

Sec. 5. *Appellate division.* The Appellate Division of the General Court of Justice shall consist of the Supreme Court and the Court of Appeals.

Sec. 6. *Supreme Court.*

(1) *Membership.* The Supreme Court shall consist of a Chief Justice and six Associate Justices, but the General Assembly may increase the number of Associate Justices to not more than eight. In the event the Chief Justice is unable, on account of absence or temporary incapacity, to perform any of the duties placed upon him, the senior Associate Justice available may discharge these duties.

(2) *Sessions of the Supreme Court.* The sessions of the Supreme Court shall be held in the City of Raleigh unless otherwise provided by the General Assembly.

Sec. 7. *Court of Appeals.* The structure, organization, and composition of the Court of Appeals shall be determined by the General Assembly. The Court shall have not less than five members, and may be authorized to sit in divisions, or other than en banc. Sessions of the Court shall be held at such times and places as the General Assembly may prescribe.

Sec. 8. *Retirement of Justices and Judges.* The General Assembly shall provide by general law for the retirement of Justices and Judges of the General Court of Justice, and may provide for the temporary recall of any retired Justice or Judge to serve on the court or courts of the division from which he was retired. The General Assembly shall also prescribe maximum age limits for service as a Justice or Judge.

Sec. 9. *Superior Courts.*

(1) *Superior Court districts.* The General Assembly shall, from time to time, divide the State into a convenient number of Superior Court judicial districts and shall provide for the election of one or more Superior Court Judges for each district. Each regular Superior Court Judge shall reside in the district for which he is elected. The General Assembly may provide by general law for the selection or appointment of special or emergency Superior Court Judges not selected for a particular judicial district.

(2) *Open at all times; sessions for trial of cases.* The Superior Courts shall be open at all times for the transaction of all business except the trial of issues of fact requiring a jury. Regular trial sessions of the Superior Court shall be held at times fixed pursuant to a calendar of courts promulgated by the Supreme Court. At least two sessions for the trial of jury cases shall be held annually in each county.

(3) *Clerks.* A Clerk of the Superior Court for each county shall be elected for a term of four years by the qualified voters thereof, at the same time and places as members of the General Assembly are elected. If the office of Clerk of the Superior Court becomes vacant otherwise than by the expiration of the term, or if the people fail to elect, the senior regular resident Judge of the Superior Court serving the county shall appoint to fill the vacancy until an election can be regularly held.

Sec. 10. *District Courts.* The General Assembly shall, from time to time, divide the State into a convenient number of local court districts and shall prescribe where the District Courts shall sit, but a District Court must sit in at least one place in each county. District Judges shall be elected for each district for a term of four years, in a manner prescribed by law. When more than one District Judge is authorized and elected for a district, the Chief Justice of the Supreme Court shall designate one of the judges as Chief District Judge. Every District Judge shall reside in the district for which he is elected. For each county, the senior regular resident Judge of the Superior Court serving the county shall appoint for a term of two years, from nominations submitted by the Clerk of the Superior Court of the county, one or more Magistrates who shall be officers of the District Court. The number of District Judges and Magistrates shall, from time to time, be determined by the General Assembly. Vacancies in the office of District Judge shall be filled for the unexpired term in a manner prescribed by law. Vacancies in the office of Magistrate shall be filled for the unexpired term in the manner provided for original appointment to the office.

Sec. 11. *Assignment of Judges.* The Chief Justice of the Supreme Court, acting in accordance with rules of the Supreme Court, shall make assignments of Judges of the Superior Court and may transfer District Judges from one district to another for temporary or specialized duty. The principle of rotating Superior Court Judges among the various districts of a division is a salutary one and shall be observed. For this purpose the General Assembly may divide the State into a number of judicial divisions. Subject to the general supervision of the Chief Justice of the Supreme Court, assignment of

District Judges within each local court district shall be made by the Chief District Judge.

Sec. 12. *Jurisdiction of the General Court of Justice.*

(1) *Supreme Court.* The Supreme Court shall have jurisdiction to review upon appeal any decision of the courts below, upon any matter of law or legal inference. The jurisdiction of the Supreme Court over "issues of fact" and "questions of fact" shall be the same exercised by it prior to the adoption of this Article, and the Court may issue any remedial writs necessary to give it general supervision and control over the proceedings of the other courts. The Supreme Court also has jurisdiction to review, when authorized by law, direct appeals from a final order or decision of the North Carolina Utilities Commission.

(2) *Court of Appeals.* The Court of Appeals shall have such appellate jurisdiction as the General Assembly may prescribe.

(3) *Superior Court.* Except as otherwise provided by the General Assembly, the Superior Court shall have original general jurisdiction throughout the State. The Clerks of the Superior Court shall have such jurisdiction and powers as the General Assembly shall prescribe by general law uniformly applicable in every county of the State.

(4) *District Courts; Magistrates.* The General Assembly shall, by general law uniformly applicable in every local court district of the State, prescribe the jurisdiction and powers of the District Courts and Magistrates.

(5) *Waiver.* The General Assembly may by general law provide that the jurisdictional limits may be waived in civil cases.

(6) *Appeals.* The General Assembly shall by general law provide a proper system of appeals. Appeals from Magistrates shall be heard de novo, with the right of trial by jury as defined in this Constitution and the laws of this State.

Sec. 13. *Forms of action; rules of procedure.*

(1) *Forms of action.* There shall be in this State but one form of action for the enforcement or protection of private rights or the redress of private wrongs, which shall be denominated a civil action, and in which there shall be a right to have issues of fact tried before a jury. Every action prosecuted by the people of the State as a party against a person charged with a public offense, for the punishment thereof, shall be termed a criminal action.

(2) *Rules of procedure.* The Supreme Court shall have exclusive authority to make rules of procedure and practice for the Appellate Division. The General Assembly may make rules of procedure and practice for the Superior Court and District Court Divisions, and the General Assembly may delegate this authority to the Supreme Court. No rule of procedure or practice shall abridge substantive rights or abrogate or limit the right of trial by jury. If the General Assembly should delegate to the Supreme Court the rule-making power, the General Assembly may, nevertheless, alter, amend, or repeal any rule of procedure or practice adopted by the Supreme Court for the Superior Court or District Court Divisions.

Sec. 14. *Waiver of jury trial.* In all issues of fact joined in any court, the parties in any civil case may waive the right to have the issues determined by a jury, in which case the finding of the judge upon the facts shall have the force and effect of a verdict by a jury.

Sec. 15. *Administration.* The General Assembly shall provide for an administrative office of the courts to carry out the provisions of this Article.

Sec. 16. *Terms of office and election of Justices of the Supreme Court, Judges of the Court of Appeals, and Judges of the Superior Court.* Justices of the Supreme Court, Judges of the Court of Appeals, and regular Judges of the Superior Court shall be elected by the qualified voters and shall hold office for terms of eight years and until their successors are elected and qualified. Justices of the Supreme Court and Judges of the Court of Appeals shall be elected by the qualified voters of the State. Regular Judges of the Superior Court may be elected by the qualified voters of the State or by the voters of their respective districts, as the General Assembly may prescribe.

Sec. 17. *Removal of Judges, Magistrates and Clerks.*

(1) *Removal of Judges by the General Assembly.* Any Justice or Judge of the General Court of Justice may be removed from office for mental or physical incapacity by joint resolution of two-thirds of all the members of each house of the General Assembly. Any Justice or Judge against whom the General Assembly may be about to proceed shall receive notice thereof, accompanied by a copy of the causes alleged for his removal, at least 20 days before the day on which either house of the General Assembly shall act thereon. Removal from office by the General Assembly for any other cause shall be by impeachment.

(2) *Additional method of removal of Judges.* The General Assembly shall prescribe a procedure, in addition to impeachment and address set forth in this Section, for the removal of a Justice or Judge of the General Court of Justice for mental or physical incapacity interfering with the performance of his duties which is, or is likely to become, permanent, and for the censure and removal of a Justice or Judge of the General Court of Justice for wilful misconduct in office, wilful and persistent failure to perform his duties, habitual intemperance, conviction of a crime involving moral turpitude, or conduct prejudicial to the administration of justice that brings the judicial office into disrepute.

(3) *Removal of Magistrates.* The General Assembly shall provide by general law for the removal of Magistrates for misconduct or mental or physical incapacity.

(4) *Removal of Clerks.* Any Clerk of the Superior Court may be removed from office for misconduct or mental or physical incapacity by the senior regular resident Superior Court Judge serving the county. Any Clerk against whom proceedings are instituted shall receive written notice of the charges against him at least 10 days before the hearing upon the charges. Any Clerk so removed from office shall be entitled to an appeal as provided by law.

Sec. 18. *District Attorney and Prosecutorial Districts.*

(1) *District Attorneys.* The General Assembly shall, from time to time, divide the State into a convenient number of prosecutorial districts, for each of which a District Attorney shall be chosen for a term of four years by the qualified voters thereof, at the same time and places as members of the General Assembly are elected. Only persons duly authorized to practice law in the courts of this State shall be eligible for election or appointment as a District Attorney. The District Attorney shall advise the officers of justice in his district, be responsible for the prosecution on behalf of the State of all criminal actions in the Superior Courts of his district, perform such duties related to appeals therefrom as the Attorney General may require, and perform such other duties as the General Assembly may prescribe.

(2) *Prosecution in District Court Division.* Criminal actions in the District Court Division shall be prosecuted in such manner as the General Assembly may prescribe by general law uniformly applicable in every local court district of the State.

Sec. 19. *Vacancies.* Unless otherwise provided in this Article, all vacancies occurring in the offices provided for by this Article shall be

filled by appointment of the Governor, and the appointees shall hold their places until the next election for members of the General Assembly that is held more than 60 days after the vacancy occurs, when elections shall be held to fill the offices. When the unexpired term of any of the offices named in this Article of the Constitution in which a vacancy has occurred, and in which it is herein provided that the Governor shall fill the vacancy, expires on the first day of January succeeding the next election for members of the General Assembly, the Governor shall appoint to fill that vacancy for the unexpired term of the office. If any person elected or appointed to any of these offices shall fail to qualify, the office shall be appointed to, held and filled as provided in case of vacancies occurring therein. All incumbents of these offices shall hold until their successors are qualified.

Sec. 20. *Revenues and expenses of the judicial department.* The General Assembly shall provide for the establishment of a schedule of court fees and costs which shall be uniform throughout the State within each division of the General Court of Justice. The operating expenses of the judicial department, other than compensation to process servers and other locally paid non-judicial officers, shall be paid from State funds.

Sec. 21. *Fees, salaries and emoluments.* The General Assembly shall prescribe and regulate the fees, salaries, and emoluments of all officers provided for in this Article, but the salaries of Judges shall not be diminished during their continuance in office. In no case shall the compensation of any Judge or Magistrate be dependent upon his decision or upon the collection of costs.

Sec. 22. *Qualification of Justices and Judges.* Only persons duly authorized to practice law in the courts of this State shall be eligible for election or appointment as a Justice of the Supreme Court, Judge of the Court of Appeals, Judge of the Superior Court, or Judge of District Court. This section shall not apply to persons elected to or serving in such capacities on or before January 1, 1981.

ARTICLE V

FINANCE

Section 1. *No capitation tax to be levied.* No poll or capitation tax shall be levied by the General Assembly or by any county, city or town, or other taxing unit.

Sec. 2. *State and local taxation.*

(1) *Power of taxation.* The power of taxation shall be exercised in a just and equitable manner, for public purposes only, and shall never be surrendered, suspended, or contracted away.

(2) *Classification.* Only the General Assembly shall have the power to classify property for taxation, which power shall be exercised only on a State-wide basis and shall not be delegated. No class of property shall be taxed except by uniform rule, and every classification shall be made by general law uniformly applicable in every county, city and town, and other unit of local government.

(3) *Exemptions.* Property belonging to the State, counties, and municipal corporations shall be exempt from taxation. The General Assembly may exempt cemeteries and property held for educational, scientific, literary, cultural, charitable, or religious purposes, and, to a value not exceeding $300, any personal property. The General Assembly may exempt from taxation not exceeding $1,000 in value of property held and used as the place of residence of the owner. Every exemption shall be on a State-wide basis and shall be made by general law uniformly applicable in every county, city and town, and other unit of local government. No taxing authority other than the General Assembly may grant exemptions, and the General Assembly shall not delegate the powers accorded to it by this subsection.

(4) *Special tax areas.* Subject to the limitations imposed by Section 4, the General Assembly may enact general laws authorizing the governing body of any county, city, or town to define territorial areas and to levy taxes within those areas, in addition to those levied throughout the county, city, or town, in order to finance, provide, or maintain services, facilities, and functions in addition to or to a greater extent than those financed, provided, or maintained for the entire county, city, or town.

(5) *Purposes of property tax.* The General Assembly shall not authorize any county, city or town, special district, or other unit of local government to levy taxes on property, except for purposes authorized by general law uniformly applicable throughout the State, unless the tax is approved by a majority of the qualified voters of the unit who vote thereon.

(6) *Income tax.* The rate of tax on incomes shall not in any case exceed ten percent, and there shall be allowed personal exemptions and deductions so that only net incomes are taxed.

(7) *Contracts.* The General Assembly may enact laws whereby the State, any county, city or town, and any other public corporation may contract with and appropriate money to any person, association, or corporation for the accomplishment of public purposes only.

Sec. 3. *Limitations upon the increase of State debt.*

(1) *Authorized purposes; two-thirds limitation.* The General Assembly shall have no power to contract debts secured by a pledge of the faith and credit of the State, unless approved by a majority of the qualified voters of the State who vote thereon, except for the following purposes:

(a) to fund or refund a valid existing debt;

(b) to supply an unforeseen deficiency in the revenue;

(c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;

(d) to suppress riots or insurrections, or to repel invasions;

(e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;

(f) for any other lawful purpose, to the extent of two-thirds of the amount by which the State's outstanding indebtedness shall have been reduced during the next preceding biennium.

(2) *Gift or loan of credit regulated.* The General Assembly shall have no power to give or lend the credit of the State in aid of any person, association, or corporation, except a corporation in which the State has a controlling interest, unless the subject is submitted to a direct vote of the people of the State, and is approved by a majority of the qualified voters who vote thereon.

(3) *Definitions.* A debt is incurred within the meaning of this Section when the State borrows money. A pledge of the faith and credit within the meaning of this Section is a pledge of the taxing power. A loan of credit within the meaning of this Section occurs when the State exchanges its obligations with or in any way guarantees the debts of an individual, association, or private corporation.

(4) *Certain debts barred.* The General Assembly shall never assume or pay any debt or obligation, express or implied, incurred in aid of insurrection or rebellion against the United States. Neither shall the General Assembly assume or pay any debt or bond incurred or issued by authority of the Convention of 1868, the special session of the General Assembly of 1868, or the General Assemblies of 1868-69 and 1869-70, unless the subject is submitted to the people of the State and is approved by a majority of all the qualified voters at a referendum held for that sole purpose.

(5) *Outstanding debt.* Except as provided in subsection (4), nothing in this Section shall be construed to invalidate or impair the obligation of any bond, note, or other evidence of indebtedness outstanding or authorized for issue as of July 1, 1973.

Sec. 4. *Limitations upon the increase of local government debt.*

(1) Regulation of borrowing and debt. The General Assembly shall enact general laws relating to the borrowing of money secured by a pledge of the faith and credit and the contracting of other debts by counties, cities and towns, special districts, and other units, authorities, and agencies of local government.

(2) *Authorized purposes: two-thirds limitation.* The General Assembly shall have no power to authorize any county, city or town, special district, or other unit of local government to contract debts secured by a pledge of its faith and credit unless approved by a majority of the qualified voters of the unit who vote thereon, except for the following purposes:

(a) to fund or refund a valid existing debt;
(b) to supply an unforseen deficiency in the revenue;
(c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50 per cent of such taxes;
(d) to suppress riots or insurrections;
(e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor;
(f) for purposes authorized by general laws uniformly applicable throughout the State, to the extent of two-thirds of the amount by which the unit's outstanding indebtedness shall have been reduced during the next preceding fiscal year.

(3) *Gift or loan of credit regulated.* No county, city or town, special district, or other unit of local government shall give or lend its

credit in aid of any person, association, or corporation, except for public purposes as authorized by general law, and unless approved by a majority of the qualified voters of the unit who vote thereon.

(4) *Certain debts barred.* No county, city or town, or other unit of local government shall assume or pay any debt or the interest thereon contracted directly or indirectly in aid or support of rebellion or insurrection against the United States.

(5) *Definitions.* A debt is incurred within the meaning of this Section when a county, city or town, special district, or other unit, authority, or agency of local government borrows money. A pledge of faith and credit within the meaning of this Section is a pledge of the taxing power. A loan of credit within the meaning of this Section occurs when a county, city or town, special district, or other unit, authority, or agency of local government exchanges its obligations with or in any way guarantees the debts of an individual, association, or private corporation.

(6) *Outstanding debt.* Except as provided in subsection (4), nothing in this Section shall be construed to invalidate or impair the obligation of any bond, note, or other evidence of indebtedness outstanding or authorized for issue as of July 1, 1973.

Sec. 5. *Acts levying taxes to state objects.* Every act of the General Assembly levying a tax shall state the special object to which it is to be applied, and it shall be applied to no other purpose.

Sec. 6. *Inviolability of sinking funds and retirement funds.*

(1) Sinking funds. The General Assembly shall not use or authorize to be used any part of the amount of any sinking fund for any purpose other than the retirement of the bonds for which the sinking fund has been created, except that these funds may be invested as authorized by law.

(2) *Retirement funds.* Neither the General Assembly nor any public officer, employee, or agency shall use or authorize to be used any part of the funds of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System for any purpose other than retirement system benefits and purposes, administrative expenses, and refunds; except that retirement system funds may be invested as authorized by law, subject to the investment limitation that the funds of the Teachers' and State Employees' Retirement System and the Local Governmental Employees' Retirement System shall not be applied, diverted, loaned to, or used

by the State, any State agency, State officer, public officer, or public employee.

Sec. 7. *Drawing public money.*

(1) *State treasury.* No money shall be drawn from the State treasury but in consequence of appropriations made by law, and an accurate account of the receipts and expenditures of State funds shall be published annually.

(2) *Local treasury.* No money shall be drawn from the treasury of any county, city or town, or other unit of local government except by authority of law.

Sec. 8. *Health care facilities.* Notwithstanding any other provisions of this Constitution, the General Assembly may enact general laws to authorize the State, counties, cities or towns, and other State and local governmental entities to issue revenue bonds to finance or refinance for any such governmental entity or any nonprofit private corporation, regardless of any church or religious relationship, the cost of acquiring, constructing, and financing health care facility projects to be operated to serve and benefit the public; provided, no cost incurred earlier than two years prior to the effective date of this section shall be refinanced. Such bonds shall be payable from the revenues, gross or net, of any such projects and any other health care facilities of any such governmental entity or nonprofit private corporation pledged therefor; shall not be secured by a pledge of the full faith and credit, or deemed to create an indebtedness requiring voter approval of any governmental entity; and may be secured by an agreement which may provide for the conveyance of title of, with or without consideration, any such project or facilities to the governmental entity or nonprofit private corporation. The power of eminent domain shall not be used pursuant hereto for nonprofit private corporations.

Sec. 9. *Capital projects for industry.* Nothwithstanding any other provision of this Constitution, the General Assembly may enact general laws to authorize counties to create authorities to issue revenue bonds to finance, but not to refinance, the cost of capital projects consisting of industrial, manufacturing and pollution control facilities for industry and pollution control facilities for public utilities, and to refund such bonds.

In no event shall such revenue bonds be secured by or payable from any public moneys whatsoever, but such revenue bonds shall be secured by and payable only from revenues or property derived from

private parties. All such capital projects and all transactions therefor shall be subject to taxation to the extent such projects and transactions would be subject to taxation if no public body were involved therewith: provided, however, that the General Assembly may provide that the interest on such revenue bonds shall be exempt from income taxes within the State.

The power of eminent domain shall not be exercised to provide any property for any such capital project.

Sec. 10. *Joint ownership of generation and transmission facilities.* In addition to other powers conferred upon them by law, municipalities owning or operating facilities for the generation, transmission or distribution of electric power and energy and joint agencies formed by such municipalities for the purpose of owning or operating facilities for the generation and transmission of electric power and energy (each, respectively, "a unit of municipal government") may jointly or severally own, operate and maintain works, plants and facilities, within or without the State, for the generation and transmission of electric power and energy, or both, with any person, firm, association or corporation, public or private, engaged in the generation, transmission or distribution of electric power and energy for resale (each, respectively, "a co-owner") within this State or any state contiguous to this State, and may enter into and carry out agreements with respect to such jointly owned facilities. For the purpose of financing its share of the cost of any such jointly owned electric generation or transmission facilities, a unit of municipal government may issue its revenue bonds in the manner prescribed by the General Assembly, payable as to both principal and interest solely from and secured by a lien and charge on all or any part of the revenue derived, or to be derived, by such unit of municipal government from the ownership and operation of its electric facilities: provided, however, that no unit of municipal government shall be liable, either jointly or severally, for any acts, omissions or obligations of any co-owner, nor shall any money or property of any unit of municipal government be credited or otherwise applied to the account of any co-owner or be charged with any debt, lien or mortgage as a result of any debt or obligation of any co-owner.

Sec. 11. *Capital projects for agriculture.* Notwithstanding any other provision of the Constitution the General Assembly may enact general laws to authorize the creation of an agency to issue revenue bonds to finance the cost of capital projects consisting of agricultural facilities, and to refund such bonds.

In no event shall such revenue bonds be secured by or payable from any public moneys whatsoever, but such revenue bonds shall be secured by and payable only from revenue or property derived from private parties. All such capital projects and all transactions therefor shall be subject to taxation to the extent such projects and transactions would be subject to taxation if no public body were involved therewith; provided, however, that the General Assembly may provide that the interest on such revenue bonds shall be exempt from income taxes within the State.

The power of eminent domain shall not be exercised to provide any property for any such capital project.

Sec. 12. *Higher Education Facilities.* Notwithstanding any other provisions of this Constitution, the General Assembly may enact general laws to authorize the State or any State entity to issue revenue bonds to finance and refinance the cost of acquiring, constructing, and financing higher education facilities to be operated to serve and benefit the public for any nonprofit private corporation, regardless of any church or religious relationship provided no cost incurred earlier than five years prior to the effective date of this section shall be refinanced. Such bonds shall be payable from any revenues or assets of any such nonprofit private corporation pledged therefor, shall not be secured by a pledge of the full faith and credit of the State or such State entity or deemed to create an indebtedness requiring voter approval of the State or such entity, and, where the title to such facilities is vested in the State or any State entity, may be secured by an agreement which may provide for the conveyance of title to, with or without consideration, such facilities to the nonprofit private corporation. The power of eminent domain shall not be used pursuant hereto.

Sec. 13. *Seaport and airport facilities.*(1) Notwithstanding any other provisions of this Constitution, the General Assembly may enact general laws to grant to the State, counties, municipalities, and other State and local governmental entities all powers useful in connection with the development of new and existing seaports and airports, and to authorize such public bodies.

(a) To acquire, construct, own, own jointly with public and private parties, lease as lessee, mortgage, sell, lease as lessor, or otherwise dispose of lands and facilities and improvements, including undivided interest therein;

(b) To finance and refinance for public and private parties seaport and airport facilities and improvements which relate to, develop or further waterborne or airborne commerce and cargo and

passenger traffic, including commercial, industrial, manufacturing, processing, mining, transportation, distribution, storage, marine, aviation and environmental facilities and improvements; and

(c) To secure any such financing or refinancing by all or any portion of their revenues, income or assets or other available monies associated with any of their seaport or airport facilities and with the facilities and improvements to be financed or refinanced, and by foreclosable liens on all or any part of their properties associated with any of their seaport or airport facilities and with the facilities and improvements to be financed or refinanced, but in no event to create a debt secured by a pledge of the faith and credit of the State or any other public body in the State.

ARTICLE VI

SUFFRAGE AND ELIGIBILITY TO OFFICE

Section 1. *Who may vote.* Every person born in the United States and every person who has been naturalized, 18 years of age, and possessing the qualifications set out in this Article, shall be entitled to vote at any election by the people of the State, except as herein otherwise provided.

Sec. 2. *Qualifications of voter.*

(1) Residence period for State elections. Any person who has resided in the State of North Carolina for one year and in the precinct, ward, or other election district for 30 days next preceding an election, and possesses the other qualifications set out in this Article, shall be entitled to vote at any election held in this State. Removal from one precinct, ward, or other election district to another in this State shall not operate to deprive any person of the right to vote in the precinct, ward, or other election district from which that person has removed until 30 days after the removal.

(2) *Residence period for presidential elections.* The General Assembly may reduce the time of residence for persons voting in presidential elections. A person made eligible by reason of a reduction in time of residence shall possess the other qualifications set out in this Article, shall only be entitled to vote for President and Vice President of the United States or for electors for President and Vice President, and shall not thereby become eligible to hold office in this State.

(3) *Disqualification of felon.* No person adjudged guilty of a felony against this State or the United States, or adjudged guilty of a felony in another state that also would be a felony if it had been committed in this State, shall be permitted to vote unless that person shall be first restored to the rights of citizenship in the manner prescribed by law.

Sec. 3. *Registration.* Every person offering to vote shall be at the time legally registered as a voter as herein prescribed and in the manner provided by law. The General Assembly shall enact general laws governing the registration of voters.

Sec. 4. *Qualification for registration.* Every person presenting himself for registration shall be able to read and write any section of the Constitution in the English language.

Sec. 5. *Elections by people and General Assembly.* All elections by the people shall be by ballot, and all elections by the General Assembly shall be viva voce. A contested election for any office established by Article III of this Constitution shall be determined by joint ballot of both houses of the General Assembly in the manner prescribed by law.

Sec. 6. *Eligibility to elective office.* Every qualified voter in North Carolina who is 21 years of age, except as in this Constitution disqualified, shall be eligible for election by the people to office.

Sec. 7. *Oath.* Before entering upon the duties of an office, a person elected or appointed to the office shall take and subscribe the following oath:

"I, ... do solemnly swear (or affirm) that I will support and maintain the Constitution and laws of the United States, and the Constitution and laws of North Carolina not inconsistent therewith, and that I will faithfully discharge the duties of my office as ....., so help me God."

Sec. 8. *Disqualifications for office.* The following persons shall be disqualified for office:

First, any person who shall deny the being of Almighty God.

Second, with respect to any office that is filled by election by the people, any person who is not qualified to vote in an election for that office.

Third, any person who has been adjudged guilty of treason or any other felony against this State or the United States, or any person who has been adjudged guilty of a felony in another state that also would be a felony if it had been committed in this State, or any person who has been adjudged guilty of corruption or malpractice in any office, or any person who has been removed by impeachment from any office, and who has not been restored to the rights of citizenship in the manner prescribed by law.

Sec. 9. *Dual office holding.*

(1) *Prohibitions.* It is salutary that the responsibilities of self-government be widely shared among the citizens of the State and that the potential abuse of authority inherent in the holding of multiple offices by an individual be avoided. Therefore, no person who holds any office or place of trust or profit under the United States or any department thereof, or under any other state or government, shall be eligible to hold any office in this State that is filled by election by the people. No person shall hold concurrently any two offices in this State that are filled by election of the people. No person shall hold concurrently any two or more appointive offices or places of trust or profit, or any combination of elective and appointive offices or places of trust or profit, except as the General Assembly shall provide by general law.

(2) *Exceptions.* The provisions of this Section shall not prohibit any officer of the military forces of the State or of the United States not on active duty for an extensive period of time, any notary public, or any delegate to a Convention of the People from holding concurrently another office or place of trust or profit under this State or the United States or any department thereof.

Sec. 10. *Continuation in office.* In the absence of any contrary provision, all officers in this State, whether appointed or elected, shall hold their positions until other appointments are made or, if the offices are elective, until their successors are chosen and qualified.

ARTICLE VII

LOCAL GOVERNMENT

Section 1. *General Assembly to provide for local government.* The General Assembly shall provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this

Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable.

The General Assembly shall not incorporate as a city or town, nor shall it authorize to be incorporated as a city or town, any territory lying within one mile of the corporate limits of any other city or town having a population of 5,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within three miles of the corporate limits of any other city or town having a population of 10,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within four miles of the corporate limits of any other city or town having a population of 25,000 or more according to the most recent decennial census of population taken by order of Congress, or lying within five miles of the corporate limits of any other city or town having a population of 50,000 or more according to the most recent decennial census of population taken by order of Congress. Notwithstanding the foregoing limitations, the General Assembly may incorporate a city or town by an act adopted by vote of three-fifths of all the members of each house.

Sec. 2. *Sheriffs.* In each county a Sheriff shall be elected by the qualified voters thereof at the same time and places as members of the General Assembly are elected and shall hold his office for a period of four years, subject to removal for cause as provided by law.

Sec. 3. *Merged or consolidated counties.* Any unit of local government formed by the merger or consolidation of a county or counties and the cities and towns therein shall be deemed both a county and a city for the purposes of this Constitution, and may exercise any authority conferred by law on counties, or on cities and towns, or both, as the General Assembly may provide.

ARTICLE VIII

CORPORATIONS

Section 1. *Corporate charters.* No corporation shall be created, nor shall its charter be extended, altered, or amended by special act, except corporations for charitable, educational, penal, or reformatory purposes that are to be and remain under the patronage and control of the State; but the General Assembly shall provide by general laws for the chartering, organization, and powers of all corporations, and for the amending, extending, and forefeiture of all charters, except those above permitted by special act. All such general acts may be altered

from time to time or repealed. The General Assembly may at any time by special act repeal the charter of any corporation.

Sec. 2. *Corporations defined.* The term "corporation" as used in this Section shall be construed to include all associations and joint-stock companies having any of the powers and privileges of corporations not possessed by individuals or partnerships. All corporations shall have the right to sue and shall be subject to be sued in all courts, in like cases as natural persons.

ARTICLE IX

EDUCATION

Section 1. *Education encouraged.* Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools, libraries, and the means of education shall forever be encouraged.

Sec. 2. *Uniform system of schools.*

(1) *General and uniform system; term.* The General Assembly shall provide by taxation and otherwise for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students.

(2) *Local responsibility.* The General Assembly may assign to units of local government such responsibility for the financial support of the free public schools as it may deem appropriate. The governing boards of units of local government with financial responsibility for public education may use local revenues to add to or supplement any public school or post-secondary school program.

Sec. 3. *School attendance.* The General Assembly shall provide that every child of appropriate age and of sufficient mental and physical ability shall attend the public schools, unless educated by other means.

Sec. 4. *State Board of Education.*

(1) *Board.* The State Board of Education shall consist of the Lieutenant Governor, the Treasurer, and eleven members appointed by the Governor, subject to confirmation by the General Assembly in joint session. The General Assembly shall divide the State into eight educational districts. Of the appointive members of the Board, one

shall be appointed from each of the eight educational districts and three shall be appointed from the State at large. Appointments shall be for overlapping terms of eight years. Appointments to fill vacancies shall be made by the Governor for the unexpired terms and shall not be subject to confirmation.

(2) *Superintendent of Public Instruction.* The Superintendent of Public Instruction shall be the secretary and chief administrative officer of the State Board of Education.

Sec. 5. *Powers and duties of Board.* The State Board of Education shall supervise and administer the free public school system and the educational funds provided for its support, except the funds mentioned in Section 7 of this Article, and shall make all needed rules and regulations in relation thereto, subject to laws enacted by the General Assembly.

Sec. 6. *State school fund.* The proceeds of all lands that have been or hereafter may be granted by the United States to this State, and not otherwise appropriated by this State or the United States; all moneys, stocks, bonds, and other property belonging to the State for purposes of public education; the net proceeds of all sales of the swamp lands belonging to the State; and all other grants, gifts, and devises that have been or hereafter may be made to the State, and not otherwise appropriated by the State or by the terms of the grant, gift, or devise, shall be paid into the State Treasury and, together with so much of the revenue of the State as may be set apart for that purpose, shall be faithfully appropriated and used exclusively for establishing and maintaining a uniform system of free public schools.

Sec. 7. *County school fund.* All moneys, stocks, bonds, and other property belonging to a county school fund, and the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used exclusively for maintaining free public schools.

Sec. 8. *Higher education.* The General Assembly shall maintain a public system of higher education, comprising The University of North Carolina and such other institutions of higher education as the General Assembly may deem wise. The General Assembly shall provide for the selection of trustees of The University of North Carolina and of the other institutions of higher education, in whom shall be vested all the privileges, rights, franchises, and endowments heretofore granted to or conferred upon the trustees of these institutions. The General Assembly may enact laws necessary and

expedient for the maintenance and management of The University of North Carolina and the other public institutions of higher education.

Sec. 9. *Benefits of public institutions of higher education.* The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense.

Sec. 10. *Escheats.*

(1) *Escheats prior to July 1, 1971.* All property that prior to July 1, 1971, accrued to the State from escheats, unclaimed dividends, or distributive shares of the estates of deceased persons shall be appropriated to the use of The University of North Carolina.

(2) *Escheats after June 30, 1971.* All property that, after June 30, 1971, shall accrue to the State from escheats, unclaimed dividends, or distributive shares of the estates of deceased persons shall be used to aid worthy and needy students who are residents of this State and are enrolled in public institutions of higher education in this State. The method, amount, and type of distribution shall be prescribed by law.

ARTICLE X

HOMESTEADS AND EXEMPTIONS

Section 1. *Personal property exemptions.* The personal property of any resident of this State, to a value fixed by the General Assembly but not less than $500, to be selected by the resident, is exempted from sale under execution or other final process of any court, issued for the collection of any debt.

Sec. 2. *Homestead exemptions.*

(1) *Exemption from sale; exceptions.* Every homestead and the dwellings and buildings used therewith, to a value fixed by the General Assembly but not less than $1,000, to be selected by the owner thereof, or in lieu thereof, at the option of the owner, any lot in a city or town with the dwellings and buildings used thereon, and to the same value, owned and occupied by a resident of the State, shall be exempt from sale under execution or other final process obtained on any debt. But no property shall be exempt from sale for taxes, or for payment of obligations contracted for its purchase.

(2) *Exemption for benefit of children.* The homestead, after the death of the owner thereof, shall be exempt from the payment of any debt during the minority of the owner's children, or any of them.

(3) *Exemption for benefit of surviving spouse.* If the owner of a homestead dies, leaving a surviving spouse but no minor children, the homestead shall be exempt from the debts of the owner, and the rents and profits thereof shall inure to the benefit of the surviving spouse until he or she remarries, unless the surviving spouse is the owner of a separate homestead.

(4) *Conveyance of homestead.* Nothing contained in this Article shall operate to prevent the owner of a homestead from disposing of it by deed, but no deed made by a married owner of a homestead shall be valid without the signature and acknowledgement of his or her spouse.

Sec. 3. *Mechanics' and laborers' liens.* The General Assembly shall provide by proper legislation for giving to mechanics and laborers an adequate lien on the subject-matter of their labor. The provisions of Sections 1 and 2 of this Article shall not be so construed as to prevent a laborer's lien for work done and performed for the person claiming the exemption or a mechanics's lien for work done on the premises.

Sec. 4. *Property of married women secured to them.* The real and personal property of any female in this State acquired before marriage, and all property, real and personal, to which she may, after marriage, become in any manner entitled, shall be and remain the sole and separate estate and property of such female, and shall not be liable for any debts, obligations, or engagements of her husband, and may be devised and bequeathed and conveyed by her, subject to such regulations and limitations as the General Assembly may prescribe. Every married woman may exercise powers of attorney conferred upon her by her husband, including the power to execute and acknowledge deeds to property owned by herself and her husband or by her husband.

Sec. 5. *Insurance.* A person may insure his or her own life for the sole use and benefit of his or her spouse or children or both, and upon his or her death the proceeds from the insurance shall be paid to or for the benefit of the spouse or children or both, or to a guardian, free from all claims of the representatives or creditors of the insured or his or her estate. Any insurance policy which insures the life of a person for the sole use and benefit of that person's spouse or children or both shall not be subject to the claims of creditors of the insured

during his or her lifetime, whether or not the policy reserves to the insured during his or her lifetime any or all rights provided for by the policy and whether or not the policy proceeds are payable to the estate of the insured in the event the beneficiary or beneficiaries predecease the insured.

ARTICLE XI

PUNISHMENTS, CORRECTIONS, AND CHARITIES

Section 1. *Punishments.* The following punishments only shall be known to the laws of this State: death, imprisonment, fines, removal from office, and disqualification to hold and enjoy any office of honor, trust, or profit under this State.

Sec. 2. *Death punishment.* The object of punishments being not only to satisfy justice, but also to reform the offender and thus prevent crime, murder, arson, burglary, and rape, and these only, may be punishable with death, if the General Assembly shall so enact.

Sec. 3. *Charitable and correctional institutions and agencies.* Such charitable, benevolent, penal, and correctional institutions and agencies as the needs of humanity and the public good may require shall be established and operated by the State under such organization and in such manner as the General Assembly may prescribe.

Sec. 4. *Welfare policy; board of public welfare.* Beneficent provision for the poor, the unfortunate, and the orphan is one of the first duties of a civilized and a Christian state. Therefore the General Assembly shall provide for and define the duties of a board of public welfare.

ARTICLE XII

MILITARY FORCES

Section 1. *Governor is Commander in Chief.* The Governor shall be Commander in Chief of the military forces of the State and may call out those forces to execute the law, suppress riots and insurrections, and repel invasion.

ARTICLE XIII

CONVENTIONS; CONSTITUTIONAL AMENDMENT AND REVISION

Section 1. *Convention of the People.* No Convention of the People of this State shall ever be called unless by the concurrence of two-thirds of all the members of each house of the General Assembly, and unless the proposition "Convention or No Convention" is first submitted to the qualified voters of the State at the time and in the manner prescribed by the General Assembly. If a majority of the votes cast upon the proposition are in favor of a Convention, it shall assemble on the day prescribed by the General Assembly. The General Assembly shall, in the act of submitting the convention proposition, propose limitations upon the authority of the Convention; and if a majority of the votes cast upon the proposition are in favor of a Convention, those limitations shall become binding upon the Convention. Delegates to the Convention shall be elected by the qualified voters at the time and in the manner prescribed in the act of submission. The Convention shall consist of a number of delegates equal to the membership of the House of Representatives of the General Assembly that submits the convention proposition and the delegates shall be apportioned as is the House of Representatives. A Convention shall adopt no ordinance not necessary to the purpose for which the Convention has been called.

Sec. 2. *Power to revise or amend Constitution reserved to people.* The people of this State reserve the power to amend this Constitution and to adopt a new or revised Constitution. This power may be exercised by either of the methods set out hereinafter in this Article, but in no other way.

Sec. 3. *Revision or amendment by Convention of the People.* A Convention of the People of this State may be called pursuant to Section 1 of this Article to propose a new or revised Constitution or to propose amendments to this Constitution. Every new or revised Constitution and every constitutional amendment adopted by a Convention shall be submitted to the qualified voters of the State at the time and in the manner prescribed by the Convention. If a majority of the votes cast thereon are in favor of ratification of the new or revised Constitution or the constitutional amendment or amendments, it or they shall become effective January first next after ratification by the qualified voters unless a different effective date is prescribed by the Convention.

Sec. 4. *Revision or amendment by legislative initiation.* A proposal of a new or revised Constitution or an amendment or amendments to

this Constitution may be initiated by the General Assembly, but only if three-fifths of all the members of each house shall adopt an act submitting the proposal to the qualified voters of the State for their ratification or rejection. The proposal shall be submitted at the time and in the manner prescribed by the General Assembly. If a majority of the votes cast thereon are in favor of the proposed new or revised Constitution or constitutional amendment or amendments, it or they shall become effective January first next after ratification by the voters unless a different effective date is prescribed in the act submitting the proposal or proposals to the qualified voters.

ARTICLE XIV

MISCELLANEOUS

Section 1. *Seat of government.* The permanent seat of government of this State shall be at the City of Raleigh.

Sec. 2. *State boundaries.* The limits and boundaries of the State shall be and remain as they now are.

Sec. 3. *General laws defined.* Whenever the General Assembly is directed or authorized by this Constitution to enact general laws, or general laws uniformly applicable throughout the State, or general laws uniformly applicable in every county, city and town, and other unit of local government, or in every local court district, no special or local act shall be enacted concerning the subject matter directed or authorized to be accomplished by general or uniformly applicable laws, and every amendment or repeal of any law relating to such subject matter shall also be general and uniform in its effect throughout the State. General laws may be enacted for classes defined by population or other criteria. General laws uniformly applicable throughout the State shall be made applicable without classification or exception in every unit of local government of like kind, such as every county, or every city and town, but need not be made applicable in every unit of local government in the State. General laws uniformly applicable in every county, city and town, and other unit of local government, or in every local court district, shall be made applicable without classification or exception in every unit of local government, or in every local court district, as the case may be. The General Assembly may at any time repeal any special, local, or private act.

Sec. 4. *Continuity of laws; protection of office holders.* The laws of North Carolina not in conflict with this Constitution shall continue in force until lawfully altered. Except as otherwise specifically provided, the adoption of this Constitution shall not have the effect of vacating

any office or term of office now filled or held by virtue of any election or appointment made under the prior Constitution of North Carolina and the laws of the State enacted pursuant thereto.

Sec. 5. *Conservation of natural resources.* It shall be the policy of this State to conserve and protect its land and waters for the benefit of all its citizenry, and to this end it shall be a proper function of the State of North Carolina and its political subdivisions to acquire and preserve park, recreational, and scenic areas, to control and limit the pollution of our air and water, to control excessive noise, and in every other appropriate way to preserve as a part of the common heritage of this State its forests, wetlands, estuaries, beaches, historical sites, openlands, and places of beauty.

To accomplish the aforementioned public purposes, the State and its counties, cities and towns, and other units of local government may acquire by purchase or gift properties or interests in properties which shall, upon their special dedication to and acceptance by resolution adopted by a vote of three-fifths of the members of each house of the General Assembly for those public purposes, constitute part of the "State Nature and Historic Preserve," and which shall not be used for other purposes except as authorized by law enacted by a vote of three-fifths of the members of each house of the General Assembly. The General Assembly shall prescribe by general law the conditions and procedures under which such properties or interests therein shall be dedicated for the aforementioned public purposes.

EXTRA SESSION 1991

S.B. 1 **CHAPTER 1**

AN ACT TO DELAY THE OPENING AND CLOSING OF FILING FOR ALL 1992 PRIMARY ELECTIONS, EXCEPT THE PRESIDENTIAL PREFERENCE PRIMARY SO AS TO ALLOW TIME FOR THE GENERAL ASSEMBLY TO MODIFY OR SEEK ENFORCEMENT OF REDISTRICTING PLANS ENACTED BY THE 1991 REGULAR SESSION AND TO MAKE CONFORMING CHANGES.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any other provisions of law, the filing of notices of candidacy for 1992 only for:

(1) Primary elections for all offices; and

(2) Elections for all other offices conducted on the day of the primary

shall be postponed and conducted in accordance with Section 2 of this act, except that nominations under the Presidential Preference Primary Act shall be made as if this act had not been enacted, and except that filing of notices of candidacy for any non-partisan election held on May 5, 1992, where there is a primary earlier in 1992, shall be made as if this act had not been enacted.

Sec. 2. Notices of candidacy shall be filed with the appropriate board of elections no earlier than 12:00 noon on Monday, February 10, 1992, and no later than 12:00 noon on Monday, March 2, 1992.

Sec. 3. In the event that this act is not approved under Section 5 of the Voting Rights Act of 1965 by 12:00 noon on January 6, 1992, but is approved thereafter, all candidate filing during the regular filing period beginning January 6, 1992, and ending when this act is approved under Section 5 of the Voting Rights Act of 1965 is

hereby voided, and the filing fee for any candidate whose filing is voided by this section shall, upon application, be refunded.

Sec. 4. The Executive Secretary-Director of the State Board of Elections shall prepare and distribute to the county boards of elections a Revised Primary Election Timetable - 1992, setting out the applicable filing period for candidates along with all other pertinent dates relative to the primary election timetable for primary elections as modified by this act.

Sec. 5. For the 1992 primary election only, G.S. 163-112 shall be applied by substituting "10 days" for "30 days" wherever it appears.

Sec. 6. The Executive Secretary-Director of the State Board of Elections shall adopt regulations to implement this act. Adoption of such regulations is not subject to Chapter 150B of the General Statutes.

Sec. 6.1. In applying the requirements of G.S. 163-33(8), for the 1992 primary only, as well as any other elections conducted on that date, notice shall be given at least 10 days rather than 20 days before the close of the registration books or records.

Sec. 7. For the 1992 primary election only, as well as any other elections conducted on that date, absentee ballots shall be available by mail beginning at the same time they are available to voters appearing in person under G.S. 163-227.2, that being the day after registration ends.

Sec. 8. For the 1992 primary election only, as well as any other elections conducted on that date, G.S. 163-107.1 shall be applied by:

(1) Substituting "12:00 noon on Wednesday" for "12:00 noon on Monday" in subsections (b) and (c);
(2) Substituting "at least 9 days" for "at least 15 days" in subsections (b) and (c); and
(3) Substituting "10 days prior" for "60 days prior" in subsection (d).

Sec. 9. This act is effective upon ratification, but shall only be enforced as provided by Section 5 of the Voting Rights Act of 1965.

In the General Assembly read three times and ratified this the 30th day of December, 1991.

S.B. 7 **CHAPTER 2**

AN ACT TO ALLOW THE DARE COUNTY BOARD OF COMMISSIONERS TO REDISTRICT ITS RESIDENCY DISTRICTS AND CHANGE THE MANNER OF ELECTION OF

THE BOARD OF COMMISSIONERS IN TIME FOR THE 1992 PRIMARY AND ELECTIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-60(4) is repealed.

Sec. 2. G.S. 153A-61 is repealed.

Sec. 3. G.S. 153A-64 reads as rewritten:

"§ *153A-64. Filing ~~results of election~~ copy of resolution.*

If the ~~proposition~~ resolution is approved under G.S. ~~153A-61,~~ 153A-60, a certified true copy of the resolution ~~and a copy of the abstract of the election~~ shall be filed with the Secretary of State, Supreme Court Library, and with the Legislative Library."

Sec. 4. Before adopting any resolution under Part 4 of Article 4 of Chapter 153A of the General Statutes, or taking any action under G.S. 153A-22, a county board of commissioners shall hold a public hearing on that resolution, and shall publish notice of the hearing at least 10 days before it is held.

Sec. 5. G.S. 153A-22(g) is repealed.

Sec. 5.1. Notwithstanding G.S. 153A-22(e), a resolution adopted under that section before the opening of the 1992 filing period for the Dare County Board of Commissioners, may apply to the 1992 primary and general elections.

Sec. 5.2. That all local acts, including but not limited to Chapter 562, 1965 Session Laws and Chapter 879, 1981 Session Laws, pertaining to the establishment of districts for the election of county commissioners of Dare County are repealed upon adoption of a redistricting resolution authorized by this act except that incumbent commissioners elected under existing local acts shall continue to serve the term to which elected.

Sec. 6. This act applies to Dare County only.

Sec. 7. This act is effective upon ratification, but only applies to the 1992 primary and general election if the appropriate resolution is adopted before the opening of the 1992 filing period for the Dare County Board of Commissioners.

In the General Assembly read three times and ratified this the 14th day of January, 1992.

H.B. 14 **CHAPTER 3**

AN ACT TO PROVIDE THAT CHAPTER 1 OF THE 1991 EXTRA SESSION DOES NOT AFFECT THE FILING PERIOD FOR THE HIGH POINT CITY ELECTIONS.

Whereas, Chapter 1 of the 1991 Extra Session was designed to delay filing for certain elections; and

Whereas, Chapter 40 of the 1991 Regular Session provides a filing period for High Point municipal elections during June and July of 1992, and it was not the intent to advance that filing period; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 1, Session Laws of the Extra Session of 1991, reads as rewritten:

"Section 1. Notwithstanding any other provisions of law, the filing of notices of candidacy for 1992 only for:

(1) Primary elections for all offices; and

(2) Elections for all other offices conducted on the day of the primary

shall be postponed and conducted in accordance with Section 2 of this act, except that nominations under the Presidential Preference Primary Act shall be made as if this act had not been enacted, and except that filing of notices of candidacy for any non-partisan election held on May 5, 1992, where there is a primary earlier in 1992, shall be made as if this act had not been enacted, and except that this act does not affect the filing period for Mayor and City Council of the City of High Point as established by Section 1 of Chapter 40 of the 1991 Session Laws."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of January, 1992.

S.B. 2 **CHAPTER 4**

AN ACT TO ESTABLISH SENATORIAL DISTRICTS AND TO APPORTION SEATS IN THE SENATE AMONG DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 120-1 reads as rewritten:

"§ *120-1. Senators.*

(a) For the purpose of nominating and electing members of the Senate in ~~1984~~ 1992 and every two years thereafter, senatorial districts are established and seats in the Senate are apportioned among those districts so that each district elects one Senator, except that Districts 12, 13, 14, 16, 17, 20, 27, and 28 each elects two Senators, and the composition of each district is as follows:

~~District 1 elects one Senator and consists of Camden, Chowan, Currituck, Dare, Hyde, Pasquotank, Perquimans, Tyrrell and~~

~~Washington Counties; the Pantego Township of Beaufort County; the following areas in Bertie County: Merry Hill, and Whites Townships, and in Windsor Township the Town of Askewville and Enumeration Districts 196 and 197; and in Gates County: Holly Grove, Hunters Hill and Mintonsville Townships.~~

~~District 2 elects one Senator and consists of Hertford and Northampton Counties; the following areas in Bertie County: Colerain, Indian Woods, Mitchells, Roxobel, Snake Bite and Woodville Townships, and in Windsor Township: The Town of Windsor and Enumeration Districts 198A, and 199; in Edgecombe County: 3 (Upper Conetoe) and 4 (Deep Creek) Townships; in Gates County: Gatesville, Hall, Haslett and Reynoldson Townships; in Halifax County: Conoconnara, Enfield, Halifax, Littleton, Palmyra, Roseneath, Scotland Neck, and Weldon Townships; in Martin County: Goose Nest and Hamilton Townships; in Vance County: Middleburg-Nutbush, Townsville and Williamsboro Townships; and in Warren County: Fork, Hawtree, Nutbush, River, Roanoke, Sandy Creek, Shocco, Sixpound, Smith Creek and Warrenton Townships.~~

~~District 3 elects one Senator and consists of Carteret, Craven and Pamlico Counties.~~

~~District 4 elects one Senator and consists of Onslow County.~~

~~District 5 elects one Senator and consists of Duplin, Jones and Lenoir Counties and Columbia and Union Townships in Pender County.~~

~~District 6 elects one Senator and consists of in Edgecombe County; 1 (Tarboro), 2 (Lower Conetoe), 5 (Lower Fishing Creek), 8 (Sparta), 9 (Otter Creek), 10 (Lower Town Creek), 11 (Walnut Creek), 12 (Rocky Mount), 13 (Cokey), and 14 (Upper Town Creek) Townships; in Martin County: the Robersonville Township; in Pitt County: Arthur, Belvoir, Bethel, Falkland, Farmville and Fountain Townships; and in Wilson County: Gardner, Wilson and Toisnot Townships.~~

~~District 7 elects one Senator and consists of New Hanover County and the following townships of Pender County: Burgaw, Canetuck, Caswell, Grady, Holly, Long Creek, Rocky Point and Topsail.~~

~~District 8 elects one Senator and consists of Greene and Wayne Counties.~~

~~District 9 elects one Senator and consists of in Beaufort County: Bath, Chocowinity, Long Acre, Richland and Washington Townships; in Martin County: Beargrass, Cross Roads, Griffins, Jamesville, Poplar Point, Williams and Williamston Townships; and in Pitt County: Ayden, Carolina, Chicod, Greenville, Grifton, Grimesland, Pactolus, Swift Creek and Winterville Townships.~~

~~District 10 elects one Senator and consists of Nash County; in Edgecombe County; 6 (Upper Fishing Creek) and 7 (Swift Creek); in Halifax County: Brinkleyville, Butterwood, Faucett and Roanoke Rapids Townships; in Warren County: Fishing Creek and Judkins Townships; and in Wilson County: Black Creek, Cross Roads, Old Fields, Saratoga, Springhill, Stantonsburg, and Taylor Townships.~~

~~District 11 elects one Senator and consists of Franklin and Vance Counties; and in Wake County: Bartons Creek, Little River, Marks Creek, New Light and Wake Forest Townships and St. Matthews Precincts 1, 2, 3 and 4.~~

~~District 12 elects two Senators and consists of the following townships of Cumberland County: Black River, Carvers Creek, Cedar Creek, Cross Creek, Eastover, Gray's Creek, Manchester, Pearces Mill, Rockfish and Seventy-First.~~

~~District 13 elects two Senators and consists of Durham, Granville and Person Counties and the following townships of Orange County: Cedar Grove, Eno and Little River.~~

~~District 14 elects three Senators and consists of Harnett and Lee Counties and the following areas in Wake County: Buckhorn, Cary, Cedar Fork, Holly Springs, House Creek, Leesville, Meredith, Middle Creek, Neuse River, Panther Branch, Raleigh, St. Mary's, Swift Creek and White Oak Townships and those portions of St. Matthews Township not included in District 11.~~

~~District 15 elects one Senator and consists of Johnston and Sampson Counties.~~

~~District 16 elects two Senators and consists of Chatham, Moore and Randolph Counties and the following townships of Orange County: Bingham, Chapel Hill, Cheeks and Hillsborough.~~

~~District 17 elects two Senators and consists of Anson, Montgomery, Richmond, Scotland, Stanly and Union Counties.~~

~~District 18 elects one Senator and consists of Bladen, Brunswick and Columbus Counties and the Beaver Dam Township of Cumberland County.~~

~~District 19 elects one Senator and consists of the following townships of Forsyth County: Belews Creek and Kernersville; and consists of the following townships and precincts of Guilford County: Bruce Township, Center Grove Township, Clay Township, Fentress Township, Friendship Precinct 1, Greene Township, Madison Township, Monroe Township, Greensboro Precincts 10, 20, 21, 27, 28, 32, 34, and 35, and Oak Ridge Township, Rock Creek Township, and Washington Township.~~

~~District 20 elects two Senators and consists of the following townships of Forsyth County: Abbotts Creek, Bethania, Broadbay,~~

~~Clemmonsville, Lewisville, Middle Fork, Old Richmond, Old Town, Salem Chapel, South Fork, Vienna and Winston Townships.~~

~~District 21 elects one Senator and consists of Alamance and Caswell Counties.~~

~~District 22 elects one Senator and consists of Cabarrus County and the following precincts of Mecklenburg County: Charlotte Precincts 62 and 64, Clear Creek Precinct, Matthews Precinct, Mint Hill Precincts 1 and 2, Morning Star Precinct, and Providence Precinct.~~

~~District 23 elects two Senators and consists of Davidson, Davie and Rowan Counties.~~

~~District 24 elects two Senators and consists of Alleghany, Ashe, Rockingham, Stokes, Surry and Watauga Counties.~~

~~District 25 elects three Senators and consists of Cleveland, Gaston, Lincoln and Rutherford Counties.~~

~~District 26 elects two Senators and consists of Alexander, Catawba, Iredell and Yadkin Counties.~~

~~District 27 elects two Senators and consists of Avery, Burke, Caldwell, Mitchell and Wilkes Counties.~~

~~District 28 elects two Senators and consists of Buncombe, McDowell, Madison and Yancey Counties.~~

~~District 29 elects two Senators and consists of Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Polk, Swain and Transylvania Counties.~~

~~District 30 elects one Senator and consists of Hoke and Robeson Counties.~~

~~District 31 elects one Senator and consists of the following townships and precincts of Guilford County: Jefferson Township, Greensboro Precincts 3, 4, 5, 6, 7, 8, 9, 11, 19, 25, 29, and 30, High Point Precincts 3, 5, 6, 7, 11, 12, and 19, Jamestown Precincts 1, 2, and 3, Sumner Township, and Block 921 of Census Tract 166 in High Point Township.~~

~~District 32 elects one Senator and consists of the following townships and precincts in Guilford County: Deep River Township, Friendship Precinct II, Greensboro Precincts 1, 2, 12, 13, 14, 15, 16, 17, 18, 22, 23, 24, 26, 31, 33 and 36, and High Point Precincts 1, 2, 4, 8, 9, 10, 13, 14, 15, 16, 17, 18, 20, and 21, but it does not include Block 921 of Census Tract 166 in High Point Township.~~

~~District 33 elects one Senator and consists of the following precincts of Mecklenburg County: Charlotte Precincts 2, 11, 12, 13, 14, 15, 16, 22, 25, 27, 29, 31, 39, 41, 42, 44, 46, 52, 54, 55, 56, 60, 77, 78, and 82, and Long Creek Precinct 2.~~

~~District 34 elects one Senator and consists of the following precincts of Mecklenburg County: Charlotte Precincts 3, 4, 5, 23, 24, 26, 28, 30, 33, 40, 43, 45, 53, 61, 79, 80, 81, 83, 84, and 89, and~~

~~Berryhill Precinct, Cornelius Precinct, Crab Orchard Precincts 1 and 2, Davidson Precinct, Huntersville Precinct, Lemly Precinct, Long Creek Precinct 1, Mallard Creek Precincts 1 and 2, Oakdell Precinct, Paw Creek Precincts 1 and 2, and Steel Creek Precincts 1 and 2.~~

~~District 35 elects one Senator and consists of the following precincts of Mecklenburg County: Charlotte Precincts 1, 6, 7, 8, 9, 10, 17, 18, 19, 20, 21, 32, 34, 35, 36, 37, 38, 47, 48, 49, 50, 51, 57, 58, 59, 63, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 85, 86, and 88, and Pineville Precinct.~~

District 1: Beaufort County: Long Acre township, Pantego township, Washington township: Tract 9905: Block Group 5: Block 522A, Block 528A; Bertie County: Whites, Windsor 2; Camden County, Chowan County, Currituck County, Dare County, Hyde County, Pasquotank County, Perquimans County, Tyrrell County, Washington County: Plymouth #3 *, Scuppernong *, Skinnersville *.

District 2: Bertie County: Colerain 1, Indian Woods, Merry Hill, Mitchells 1, Roxobel, Snakebite, Windsor 1, Woodville, Colerain 2, Mitchells 2; Gates County, Halifax County: Hollister *, Butterwood *, Conoconnara *, Enfield #1 *, Enfield #2 *, Enfield #3 *, Halifax *, Littleton #1 *, Littleton #2 *, Hobgood *, Palmyra *, Roseneath *, Scotland Neck #1 *, Scotland Neck #2 *, Weldon #1 *, Weldon #2 *, Weldon #3 *; Hertford County, Northampton County, Vance County: Dabney, Middleburg, Townsville, Williamsboro; Warren County.

District 3: Carteret County: Atlantic township, Beaufort township, Cedar Island township, Davis township, Harkers Island township, Harlowe township, Marshallberg township, Merrimon township, Morehead township: Tract 9703: Block Group 4: Block 437; Tract 9704, Tract 9705, Tract 9706: Block Group 1, Block Group 2, Block Group 3: Block 301A, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 343, Block 344, Block 345, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354, Block 355, Block 356, Block 357, Block 358, Block 359; Block Group 4; Tract 9707: Block Group 6: Block 601, Block 602, Block 621A, Block 621B, Block 624A, Block 625A, Block 626A, Block 627A, Block 628A, Block 629A, Block 630, Block 631, Block 632, Block 633, Block 634, Block 635, Block 636, Block 637, Block

638, Block 639, Block 640, Block 641, Block 642, Block 643, Block 644, Block 645, Block 646, Block 647, Block 648, Block 649A, Block 650, Block 651, Block 652, Block 653, Block 654, Block 655, Block 656, Block 657, Block 658, Block 659, Block 660, Block 661, Block 662, Block 663; Tract 9708: Block Group 4: Block 401A, Block 459A, Block 460, Block 461, Block 462, Block 463; Newport township, Portsmouth township, Sea Level township, Smyrna township, Stacy township, Straits township, White Oak township: Tract 9708: Block Group 1: Block 101B, Block 102, Block 103C, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 130B, Block 139B; Block Group 2: Block 201, Block 203, Block 204; Block Group 4: Block 401C, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410A, Block 410B, Block 410C, Block 411A, Block 411B, Block 411C, Block 412, Block 413, Block 414, Block 415A, Block 415B, Block 416, Block 417A, Block 417B, Block 418, Block 419A, Block 419B, Block 420A, Block 420B, Block 420C, Block 421, Block 422, Block 423, Block 424A, Block 424B, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445A, Block 445B, Block 446, Block 447, Block 448A, Block 448B, Block 449, Block 450A, Block 450B, Block 451, Block 452, Block 453, Block 454, Block 455A, Block 455B, Block 456, Block 457, Block 458B; Craven County, Pamlico County.

District 4: Carteret County: Morehead township: Tract 9709: Block Group 1: Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125A, Block 125B, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140; Block Group 2: Block 201A, Block 201C, Block 201D, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212; Tract 9710, Tract 9711, Tract 9711.99, Tract 9712; White Oak township: Tract 9708: Block Group 2: Block 202, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226,

Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248, Block 249, Block 250, Block 251, Block 252, Block 253, Block 254, Block 255, Block 256; Block Group 3, Block Group 5, Block Group 6, Block Group 7; Tract 9709: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154; Block Group 2: Block 201B; Block Group 3, Block Group 4, Block Group 5, Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606, Block 607, Block 608, Block 609, Block 610, Block 611, Block 612, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622, Block 623, Block 624, Block 625, Block 626, Block 627, Block 628, Block 629, Block 630, Block 631, Block 632, Block 633, Block 634, Block 635, Block 636, Block 637, Block 638, Block 639, Block 640, Block 641, Block 642, Block 643, Block 644, Block 645, Block 646, Block 647, Block 648, Block 649, Block 650, Block 651, Block 652, Block 653, Block 654, Block 655, Block 656, Block 657, Block 658, Block 659, Block 660, Block 661, Block 662, Block 663, Block 664, Block 665; New Hanover County: Cape Fear #2 *, Cape Fear #3 *, Federal Point #1 *, Federal Point #2 *, Federal Point #3 *, Wrightsville Beach *, Harnett #2 *, Harnett #3 *, Harnett #4 *, Harnett #5 *, Harnett #6 *, Harnett #7 *, Masonboro #2 *, Masonboro #3 *, Masonboro #4 *, Masonboro #5 *, Wilmington #8 *, Wilmington #11 *, Wilmington #12 *, Wilmington #13 *, Wilmington #14 *, Wilmington #16 *, Wilmington #17 *, Wilmington #18 *; Onslow County: Cross Roads *, Tar Landing *, Catherine Lake *, Folkstone *, Tract 0004: Block Group 3: Block 301A, Block 301B, Block 302A, Block 302B, Block 303A, Block 303B, Block 304, Block 305A, Block 305B, Block 306A, Block 306B, Block 307, Block 308, Block 309A, Block 309B, Block 310, Block 311A, Block 311B, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 340, Block 341, Block 342, Block 343, Block 344, Block 345, Block 346, Block 347, Block 352, Block 353, Block 354, Block 362, Block 363; Holly Ridge *; Tract 0004: Block Group 4: Block 401A, Block 401B; Sneads Ferry *, Tract 0004: Block Group 3: Block 319; Verona *; Tract 0003: Block Group 2: Block 216; Block Group 3: Block 301A, Block 301B, Block 302, Block 303A, Block 303B, Block 304A, Block 304B, Block 305,

Block 306, Block 307A, Block 307B, Block 308, Block 309A, Block 309B, Block 310A, Block 310B, Block 313A, Block 313C, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325; Block Group 4: Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 433, Block 434, Block 435; Bear Creek *, Hubert *, Swansboro *, Mortons *, Camp Lejeune Military Base 13; Pender County: Lower Topsail *, Upper Topsail *, Scott's Hill *, Surf City *.

District 5: Duplin County, Jones County: Chinquapin *, Cypress Creek *, Tuckahoe *; Onslow County: East Northwoods *, West Northwoods *, Half Moon *, Tract 0012: Block Group 1: Block 101B, Block 102B, Block 108B, Block 109B, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 128, Block 129, Block 130, Block 131, Block 132, Block 136, Block 137; Jacksonville, Brynn Marr *, Haw Branch *, Gum Branch *, Richlands *, Harris Creek *, Haws Run *, Tract 0004: Block Group 4: Block 408; Pender County: North Burgaw *, Middle Holly *, Tract 9802: Block Group 1: Block 112A, Block 113A, Block 124, Block 129A, Block 130A, Block 131A, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 163, Block 164, Block 191, Block 192, Block 193, Block 194, Block 195; Upper Holly *: Tract 9803: Block Group 1: Block 101A; Long Creek *, Penderlea *, Lower Union *, Rocky Point *; Sampson County: Clement *, Harrells *, Keener *, Herring *, Salemburg *, Ingold *, Autryville *, Mingo *, Northeast Clinton *, Central Clinton *, East Clinton *, West Clinton *, Plainview *, Southwest Clinton *, Rowan *, Garland *, Turkey *.

District 6: Edgecombe County: Precinct 1-1 *, Precinct 1-2 *, Precinct 1-3 *, Precinct 1-4 *, Precinct 2-1 *, Precinct 3-1 *, Precinct 4-1 *, Precinct 5-1 *, Precinct 6-1 *, Precinct 7-1 *, Precinct 8-1 *, Precinct 10-1 *, Precinct 11-1 *, Precinct 12-1 *, Precinct 12-2 *, Precinct 12-4 *, Precinct 12-5 *; Martin County: Goose Nest, Hassell, Hamilton, Jamesville, Poplar Point, Robersonville # 1, Robersonville # 2, Williams, Williamston # 1, Williamston # 2, VTD's not defined: Tract 9704: Block Group 2: Block 202; Tract 9706: Block Group 1: Block 168A; Tract 9705: Block Group 4: Block 413; Pitt County: Arthur *, Belvoir *, Bethel *, Falkland *, Farmville West *, Farmville East *, Fountain *, Greenville #1 *, Greenville #2, Greenville #3 *, Greenville #4 *, Greenville #2 Noncontiguous; Washington County: Lees Mill *, Plymouth #1 *, Plymouth #2 *; Wilson County: Gardners *, Wilson

B *, Wilson E *, Wilson F *, Wilson G *, Wilson H *, Wilson N *, Wilson Q *.

District 7: Jones County: Beaver Creek *, Pollocksville *, Trenton *, White Oak *; Lenoir County: Kinston #1 *, Kinston #2 *, Kinston #6 *, Kinston #7 *, Kinston #8 *, Southwest *; New Hanover County: Cape Fear #1 *, Wilmington #1 *, Wilmington #2 *, Wilmington #3 *, Wilmington #6 *, Wilmington #7 *, Wilmington #9 *, Wilmington #10 *, Wilmington #15 *; Onslow County: New River *, Holly Ridge *: Tract 0004: Block Group 3: Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 348, Block 349, Block 350, Block 351, Block 355, Block 356, Block 357, Block 358, Block 359, Block 360, Block 361, Block 364; Block Group 4: Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427A, Block 427B, Block 428, Block 429, Block 430A, Block 430B, Block 431A, Block 431B, Block 432, Block 433, Block 434, Block 435A, Block 435B, Block 435C, Block 436A, Block 436B, Block 437A, Block 437B, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446, Block 447, Block 448, Block 449, Block 450, Block 451, Block 452, Block 453, Block 454, Block 455, Block 456, Block 457, Block 458, Block 459, Block 460, Block 461, Block 462, Block 463, Block 464, Block 465, Block 466, Block 467, Block 468, Block 469, Block 470, Block 471, Block 472, Block 473, Block 474, Block 475, Block 476, Block 477, Block 478, Block 479, Block 480, Block 481, Block 482, Block 483, Block 484, Block 485, Block 486, Block 487, Block 488, Block 489, Block 490, Block 491A, Block 491B, Block 492, Block 493A, Block 493B, Block 494, Block 495, Block 496, Block 497; Verona *: Tract 0003: Block Group 4: Block 432; Mills *, Tract 0001: Block Group 1: Block 101, Block 102, Block 103, Block 104B, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 114, Block 115, Block 119, Block 120, Block 125B, Block 129B, Block 133, Block 134B, Block 135B, Block 136, Block 137B; Northeast *, Camp Lejeune Military Base 1, Camp Lejeune Military Base 2, Camp Lejeune Military Base 3, Camp Lejeune Military Base 4, Camp Lejeune Military Base 5, Camp Lejeune Military Base 6, Camp Lejeune Military Base 7, Camp Lejeune Military Base 8, Camp Lejeune Military Base 9, Camp Lejeune Military Base 10, Camp Lejeune Military Base 11, Camp Lejeune Military Base 12, Camp Lejeune Military Base 14, VTD ZZZZ: Tract 0001: Block Group 1:

Block 104A, Block 125A, Block 126, Block 127, Block 128, Block 129A, Block 130, Block 131, Block 132, Block 134A, Block 135A, Block 137A, Block 138, Block 139A, Block 140, Block 141, Block 142, Block 143, Block 144A, Block 144B, Block 144C, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 157, Block 158, Block 159, Block 160, Block 161, Block 162, Block 163, Block 164, Block 165, Block 166, Block 167, Block 168, Block 169A, Block 170, Block 171A, Block 172, Block 173, Block 174, Block 175, Block 176, Block 177A, Block 177B, Block 178, Block 179, Block 185, Block 186, Block 196A, Block 196B, Block 197A, Block 197B; Tract 0002: Block Group 6: Block 627A, Block 628, Block 629A, Block 629B, Block 630A, Block 631, Block 632, Block 633, Block 634A, Block 635A, Block 648A, Block 649A; Tract 0012: Block Group 1: Block 101A, Block 102A, Block 103, Block 104, Block 105, Block 106, Block 107A, Block 108A, Block 109A; Tract 0013: Block Group 1: Block 107; Pender County: South Burgaw *, Canetuck *, Caswell *, Columbia *, Grady *, Upper Holly *; Tract 9802: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106A, Block 107A, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 125, Block 126, Block 127, Block 128, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 157, Block 158, Block 159, Block 160, Block 161, Block 162, Block 165, Block 166, Block 167, Block 168, Block 169, Block 170, Block 171, Block 172, Block 173, Block 174, Block 175, Block 176, Block 177, Block 178, Block 179, Block 180, Block 181A, Block 182, Block 183, Block 184, Block 185, Block 186, Block 187, Block 188, Block 189, Block 190, Block 196, Block 197; Block Group 2: Block 201A, Block 201B, Block 220; Upper Union *.

District 8: Greene County, Lenoir County: Neuse *, Pink Hill #1 *, Pink Hill #2 *, Trent #1 *, Trent #2 *, Woodlington *; Wayne County.

District 9: Beaufort County: Bath township, Chocowinity township, Richland township, Washington township: Tract 9902: Block Group 1: Block 129B, Block 130B, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 157B,

Block 158B, Block 159B, Block 160B, Block 175B, Block 176B, Block 185B; Block 186B, Block 187B, Block 189, Block 190, Block 191, Block 197; Block Group 2; Tract 9903, Tract 9904; Lenoir County: Contentnea *, Falling Creek *, Institute *, Kinston #3 *, Kinston #4 *, Kinston #5 *, Kinston #9 *, Moseley Hall *, Sandhill *, Vance *; Martin County: Bear Grass, Cross Roads, Griffins, Pitt County: Ayden West *, Ayden East *, Carolina *, Chicod *, Grifton *, Grimesland *, Simpson *, Pactolus *, Swift Creek *, Winterville West *, Winterville East *, Greenville #5 *, Greenville #6 *, Greenville #7 *, Greenville #8 *, Greenville #9 *, Greenville #10 *, Greenville #11 *, Greenville #12 *, Greenville #13 *.

District 10: Edgecombe County: Precinct 9-1 *, Precinct 12-3 *, Precinct 13-1 *, Precinct 14-1 *; Halifax County: Ringwood *, Faucett *, Roanoke Rapids #1 *, Roanoke Rapids #2 *, Roanoke Rapids #3 *, Roanoke Rapids #4 *, Roanoke Rapids #5 *, Roanoke Rapids #6 *, Roanoke Rapids #7 *, Roanoke Rapids #8 *, Roanoke Rapids #9 *, Roanoke Rapids #10 *, Roanoke Rapids #11 *; Nash County, Wilson County: Black Creek *, Saratoga *, Stantonsburg *, Toisnot *, Wilson A *, Wilson C *, Wilson D *, Wilson I *, Wilson M *.

District 11: Franklin County, Johnston County: North Beulah *, East Clayton *, West Clayton *, Cleveland *, North O'Neals *, South O'Neals *, East Selma *, West Selma *, East Smithfield *, North Smithfield *, West Smithfield *, Wilders *, Wilson's Mills *; Vance County: Hilltop, Kittrell, Sandy Creek, Watkins, East Henderson I, East Henderson II, North Henderson I, North Henderson II, South Henderson I, South Henderson II, West Henderson I, West Henderson IIA, West Henderson IIB; Wilson County: Cross Roads *, Old Fields *, Spring Hill *, Taylors *, Wilson J *, Wilson K *, Wilson L *, Wilson P *.

District 12: Alleghany County; Ashe County; Guilford County: North Madison *, South Madison *, Stokesdale *, North Washington *, South Washington *; Rockingham County, Stokes County, Surry County; Watauga County.

District 13: Durham County, Granville County, Person County: Allensville, Cunningham-Chub Lake, Holloway, Mt. Tirzah, Roxboro City # 4, Woodsdale, Roxboro City # 1, Roxboro City # 1A, Roxboro City # 2, Roxboro City # 3; Wake County: Buckhorn *, Cedar Fork *, House Creek #1 *, Leesville #1 *, Leesville #3 *, New Light #2 *, White Oak #2 *.

District 14: Johnston County: North Elevation *, South Elevation *, Pleasant Grove *; Wake County: Raleigh 01-01 *, Raleigh 01-02 *, Raleigh 01-03 *, Raleigh 01-04 *, Raleigh 01-05 *, Raleigh 01-06 *, Raleigh 01-07 *, Raleigh 01-09 *, Raleigh 01-10 *, Raleigh 01-11 *, Raleigh 01-12 *, Raleigh 01-13 *, Raleigh 01-14 *, Raleigh 01-15 *, Raleigh 01-16 *, Raleigh 01-17 *, Raleigh 01-18 *, Raleigh 01-19 *, Raleigh 01-20 *, Raleigh 01-21 *, Raleigh 01-22 *, Raleigh 01-23 *, Raleigh 01-26 *, Raleigh 01-27 *, Raleigh 01-28 *, Raleigh 01-29 *, Raleigh 01-30 *, Raleigh 01-31 *, Raleigh 01-32 *, Raleigh 01-33 *, Raleigh 01-34 *, Raleigh 01-35 *, Raleigh 01-36 *, Raleigh 01-37 *, Raleigh 01-38 *, Raleigh 01-39 *, Raleigh 01-40 *, Raleigh 01-41 *, Raleigh 01-42 *, Raleigh 01-43 *, Raleigh 01-44 *, Raleigh 01-45 *, Raleigh 01-46 *, Holly Springs *, Little River #1 *, Little River #2 *, Marks Creek #1 *, Marks Creek #2 *, Middle Creek #1 *, Middle Creek #2 *, Raleigh 01-27 Part, Panther Branch *, St. Marys #1 *, St. Marys #2 *, St. Marys #3 *, St. Marys #4 *, St. Marys #6 *, St. Marys # 7, St. Matthews #1 *, St. Matthews #2 *, St. Matthews #3 *, St. Matthews #4 *, Wake Forest #1 *, Wake Forest #2 *.

District 15: Harnett County, Johnston County: North Banner *, South Banner *, West Banner *, Bentonville *, South Beulah *, North Boon Hill *, South Boon Hill *, East Ingrams *, West Ingrams *, North Meadow *, South Meadow *, Micro *, Pine Level *; Lee County: Jonesboro, Cape Fear, Deep River, East Sanford, Cumnock, West Sanford # 1, West Sanford # 2, West Sanford # 3; Sampson County: Kitty Fork *, Newton Grove *, Giddensville *, Westbrook *.

District 16: Chatham County, Lee County: Greenwood, West Pocket, East Pocket; Moore County; Orange County, Randolph County: North Asheboro *, McCrary *, Westside *, Eastside *, Loflin *, Lindley Park *, Armory *, South Pointe *, Deep River *, East Cedar Grove *, West Cedar Grove *, Coleridge *, West Ramseur *, Staley *, East Ramseur *, Falls *, Franklinville *, Grant *, New Hope *, Richland *, Union *, Liberty *, Providence *, East Randleman *, West Randleman *, Worthville *.

District 17: Anson County, Hoke County: Fort Bragg, Puppy Creek, McCain, Buchan, Rockfish; Montgomery County; Richmond County, Scotland County, Stanly County: Big Lick township, Center township, Endy township, Furr township, Harris township, North Albemarle township, Ridenhour township, South Albemarle township, Tyson township; Union County.

District 18: Bladen County: Abbotts township, Bethel township, Bladenboro township, Brown Marsh township, Carvers Creek township, Central township, Colly township, Cypress Creek township, Elizabethtown township, Frenchs Creek township, Lake Creek township, Turnbull township, Whites Creek township; Brunswick County: Columbus County; New Hanover County: Wilmington #4 *, Wilmington #5 *.

District 19: Davidson County: Abbotts Creek *, Thomasville No. 8 *; Guilford County: GB-20 *, GB-27A *, GB-34A *, GB-37A *, GB-39 *, GB-41A *, HP-08 *, HP-16 *, HP-20 *, HP-23 *, HP-24 *, Bruce *, North Center Grove *, South Center Grove *, Clay *, Deep River *, Fentress-1 *, Fentress-2 *, Friendship-1 *, Greene *, Jamestown-3 *, Oak Ridge *, GB-27B *, GB-37B *, GB-27C *; Randolph County: Back Creek *, East Archdale *, West Archdale *, East Trinity *, West Trinity *, Prospect *, Concord *, Level Cross *, Tabernacle *, North New Market *, South New Market *.

District 20: Forsyth County: Abbotts Creek #1 *, Abbotts Creek #2 *, Abbotts Creek #3 *, Belews Creek *, Bethania #1 *, Bethania #2 *, Bethania #3 *, Broadbay #1 *, Broadbay #2 *, Clemmonsville #1 *, Kernersville #1 *, Kernersville #2 *, Kernersville #3 *, Kernersville #4 *, Lewisville #1 *, Lewisville #2 *, Lewisville #3 *, Middlefork #2 *, Middlefork #3 *, Old Richmond *, Old Town #2 *, Old Town #3 *, Salem Chapel #1 *, Salem Chapel #2 *, South Fork #2 *, South Fork #3 *, Vienna #1 *, Vienna #2 *, Vienna #3 *, Ardmore Baptist Church *, Ashley Middle School *, Bethabara Moravian Church *, Bible Wesleyan Church *, Bishop McGuinness *, Bolton Swimming Center *, Brown/Douglas Recreation *, Brunson Elementary School *, Calvary Baptist Church *, Carver High School *, Christ Moravian Church *, Country Club Fire St. *, Covenant Presbyterian Church *, East Winston Library *, Easton Elementary School *, First Christian Church *, Forest Hill Fire Station *, Forest Pk. Elementary School *, Forsyth Tech W. Camp. *, 14th Street Recreation Center *, Greek Orthodox Church *, Hanes Community Center *, Happy Hill Recreation Center *, Hill Middle School *, Jefferson Elementary School *, Kennedy Middle School *, Latham Elementary School *, Lowrance Middle School *, M. L. King Recreation Center *, Memorial Coliseum *, Messiah Moravian Church *, Miller Park Recreation Center *, Mineral Springs F. St *, Mt. Sinai Church *, Mt. Tabor High School *, New Hope United Methodist Church *, Old Town Presbyterian Church *, Parkland High School *, Parkway United Church *, Philo Middle School *, Polo Park Recreation Center *, Reynolds High School Gym *,

Sherwood Forest Elementary School *, South Fork Elem School *, St. Andrews United Methodist *, St. Anne's Episcopal Church *, Summit School *, Trinity Moravian Church *, Trinity United Methodist Church *, Whitaker Elementary School *, Winston Lake Family YMCA *.

District 21: Alamance County, Caswell County, Person County: Bushy Fork, Flat River, Olive Hill, Hurdle Mills.

District 22: Cabarrus County, Rowan County: Bradshaw *, Enochville *, Blackwelder Park *, Bostian School *, S. China Grove *, East Kannapolis *, West Kannapolis *, East Landis *, West Landis *, Locke *, Steele *; Stanly County: Almond township.

District 23: Davidson County: Boone *, Central *, Cotton *; Southmont *, Lexington No. 1 *, Lexington No. 2 *, Lexington No. 4 *, Ward No. 1 *, Ward No. 2 *; Ward No. 3 *, Ward No. 4 *, Ward No. 5 *, Ward No. 6 *, : Tyro *, Silver Hill *; Iredell County: Barringer *, Coddle Creek #1 *, Coddle Creek #2 *, Coddle Creek #3 *, Cool Springs *, Eagle Mills *, New Hope *, Olin *, Statesville #3 *, Statesville #4 *, Statesville #5 *, Statesville #6 *, Turnersburg *, Union Grove *; Rowan County: Cleveland *, Franklin *, Faith Noncontiguous, Mt. Ulla *, East Spencer *, Hatters Shop *, Milford Hills *, Spencer *, Trading Ford, West Innes *, East Ward I *, East Ward II *, North Ward I *, North Ward II *, South Ward *, West Ward I *, West Ward II *, West Ward III *, Trading Ford Noncontiguous A, Scotch Irish *, Unity *.

District 24: Cumberland County: Black River *, Linden *, Long Hill *, Cedar Creek *, Judson *, Stedman *, Cross Creek #4 *, Cross Creek #7 *, Cross Creek #8 *, Cross Creek #9 *, Cross Creek #10 *, Cross Creek #11 *, Cross Creek #12 *, Cross Creek #14 *, Cross Creek #15 *, Cross Creek #18 *, Cross Creek #20 *, Cross Creek #21, Cross Creek #22 *, Cross Creek #23 *, Vander *, Wade *, Alderman *, Sherwood *, Manchester *, Pearces Mill #2 *, Pearces Mill #3 *, Pearces Mill #4 *, Cumberland #1 *, Cumberland #2 *, Hope Mills #1 *, Brentwood *, Montclair *, Seventy First #2 *, Seventy First #3 *.

District 25: Cleveland County: Shelby #4 *, Polkville *, Falston *, Lawndale *; Gaston County: Cherryville #1 *, Cherryville #2 *, Cherryville #3 *, Dallas #2 *, Landers Chapel *, Tryon *, Bessemer City #1 *, Bessemer City #2 *, Crowders Mtn. *, Dallas #1 *, Armstrong *, Ashbrook *, Firestone *, Flint Groves *, Gardner Park

*, Grier *, Health Center *, Highland *, Memorial Hall *, Myrtle *, Ranlo *, Robinson *, Sherwood *, Woodhill *, Victory *, Lowell *, McAdenville *; Lincoln County: North Brook I/II, Crouse, Heavners, Lincolnton/North, Lincolnton/South, Lithia, Love Memorial, Long Shoals.

District 26: Catawba County, Lincoln County: Daniels/Vale, Hickory Grove, Asbury, Boger City, Buffalo Shoals, North Brook III, Pumpkin Center.

District 27: Alexander County; Avery County; Burke County: Drexel #1 *, Drexel #2 *, Drexel #3 *, Icard #1 *, Icard #2 *, Icard #3 *, Icard #4 *, Icard #5 *, Jonas Ridge *, Linville #1 *, Lovelady #1 *, Lovelady #2 *, Lovelady #3 *, Lovelady #4 *, Lower Creek *, Lower Fork *, Morganton #7 *, Smoky Creek *, Upper Creek *, Upper Fork *; Caldwell County, Mitchell County, Wilkes County, Yadkin County.

District 28: Buncombe County: Asheville #1 *, Asheville #2 *, Asheville #3 *, Asheville #4 *, Asheville #5 *, Asheville #6 *, Asheville #7 *, Asheville #8 *, Asheville #9 *, Asheville #10 *, Asheville #11 *, Asheville #12 *, Asheville #13 *, Asheville #14 *, Asheville #15 *, Asheville #16 *, Asheville #17 *, Asheville #18 *, Asheville #19 *, Asheville #20 *, Asheville #21 *, Beaverdam *, Biltmore *, Haw Creek *, Hazel #1 *, Hazel #2 *, Reynolds *, Woodfin *, Averys Creek *, Black Mountain #1 *, Black Mountain #2 *, Black Mountain #3 *, Black Mountain #4 *, Flat Creek *, French Broad *, Lower Hominy #1 *, Lower Hominy #2 *, Lower Hominy #3 *, Upper Hominy #1 *, Upper Hominy #2 *, Ivy #1 *, Ivy #2 *, Leicester *, West Buncombe *, Limestone #1 *, Riceville *, Swannanoa #1 *, Swannanoa #2 *, Reems Creek *, Weaverville #1 *, Weaverville #2 *, Sandy Mush *; Burke County: Linville #2 *, Morganton #1 *, Morganton #3 *, Morganton #4 *, Morganton #5 *, Morganton #6 *, Morganton #8 *, Morganton #9 *, Morganton #10 *, Quaker Meadow #1 *, Quaker Meadow #2 *, Silver Creek #1 *, Silver Creek #2 *, Silver Creek #3 *, Silver Creek #4 *; McDowell County; Madison County; Yancey County.

District 29: Haywood County: Beaverdam township, Cataloochee township, Clyde township, Crabtree township, East Fork township, Fines Creek township, Iron Duff township, Ivy Hill township, Jonathan Creek township, Waynesville township, White Oak township; Henderson County: North Blue Ridge *, Clear Creek *, Armory *, Hendersonville #1 *, Hendersonville #2 *, Hendersonville #3 *, Long

John Mountain *, Moores Grove *, Northeast *, Pisgah View *, Northwest Non-contiguous *, Brickton, Brickton Noncontiguous, North Mills River *, South Mills River *; Jackson County: Barkers Creek township, Canada township, Caney Fork township, Cullowhee township, Dillsboro township, Greens Creek township, Hamburg township, Mountain township, Qualla township, River township, Savannah township, Scott Creek township, Sylva township, Webster township; Macon County: Cowee township, Franklin township: Tract 9702: Block Group 1: Block 101B, Block 110C, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130B, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140; Block Group 2: Block 216C; Tract 9703: Block Group 1, Block Group 2, Block Group 3: Block 302A, Block 302B, Block 304, Block 307, Block 308, Block 309A, Block 309B, Block 310A, Block 310B, Block 310C, Block 311, Block 312, Block 313, Block 314, Block 315A, Block 315B, Block 316, Block 317A, Block 317B, Block 318, Block 319, Block 320, Block 321; Block Group 4, Block Group 5, Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606A, Block 607A, Block 607B, Block 608, Block 609A, Block 610, Block 611, Block 612A, Block 622, Block 623, Block 634, Block 635, Block 636, Block 637; Block Group 7, Block Group 8: Block 801B, Block 802, Block 804, Block 805, Block 806, Block 807, Block 808, Block 809, Block 810, Block 811, Block 812, Block 813, Block 814, Block 815, Block 816, Block 817, Block 818, Block 819, Block 820, Block 821, Block 822, Block 823, Block 824, Block 825, Block 826, Block 827, Block 828; Tract 9704: Block Group 1: Block 160A, Block 161A, Block 162A, Block 164, Block 165, Block 166; Block Group 2: Block 218A, Block 218B, Block 220, Block 221A, Block 221B; Tract 9706: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126A; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211B, Block 211C, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227A, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239A, Block 241, Block 242, Block 243A, Block 244A, Block 245A, Block 246, Block 247, Block 248, Block 249, Block 250, Block 251, Block 252A, Block 253, Block

254A, Block 257, Block 258, Block 259; Block Group 3: Block 301C, Block 306B, Block 307B, Block 311A, Block 312, Block 313A, Block 314, Block 315, Block 321B; Block Group 4: Block 408B, Block 413; Tract 9707: Block Group 1: Block 111B, Block 112B, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119B, Block 120B, Block 121B, Block 123, Block 136B, Block 139, Block 140, Block 141; Block Group 2: Block 205, Block 206, Block 207, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313A, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319A, Block 320, Block 321A; Block Group 4: Block 401B, Block 401C, Block 404B, Block 411A; Swain County; Transylvania County: Boyd township, Brevard township.

' District 30: Bladen County: Hollow township, White Oak township; Cumberland County: Beaver Dam *, Hope Mills #2 *; Hoke County: Allendale, Antioch, Blue Springs, Raeford # 4, Stonewall, Raeford # 1, Raeford # 2, Raeford # 3, Raeford # 5; Robeson County, Sampson County: Roseboro *, Lakewood *.

District 31: Guilford County: GB-03 *, GB-04 *, GB-05 *, GB-06 *, GB-07 *, GB-08 *, GB-09 *, GB-19 *, GB-25 *, GB-29 *, GB-30 *, GB-42 *, GB-44 *, GB-45 *, HP-03 *, HP-05 *, HP-06 *, HP-07 *, HP-11 *, HP-12 *, HP-13 *, HP-18 *, HP-21 *, HP-22 *, Gibsonville *, Whitsett *, Jamestown-1 *, Jamestown-2 *, North Jefferson *, South Jefferson *, North Monroe *, South Monroe *, North Sumner *, South Sumner *, GIB-G *.

District 32: Guilford County: GB-01 *, GB-02 *, GB-10 *, GB-11 *, GB-12 *, GB-13 *, GB-14 *, GB-15 *, GB-16 *, GB-17 *, GB-18 *, GB-21 *, GB-22 *, GB-23 *, GB-24A *, GB-26A *, GB-28 *, GB-31 *, GB-32 *, GB-33 *, GB-35A *, GB-36 *, GB-38 *, GB-40A *, GB-43 *, HP-01 *, HP-02 *, HP-04 *, HP-09 *, HP-10 *, HP-14 *, HP-15 *, HP-17 *, HP-19 *, Friendship-2 *, GB-24B *, GB-26B *, GB-34B *, GB-35B *, GB-40B *, GB-41B *, GB-24C *, GB-35C *.

District 33: Mecklenburg County: Charlotte Pct. 11 *, Charlotte Pct. 12 *, Charlotte Pct. 13 *, Charlotte Pct. 14 *, Charlotte Pct. 16 *, Charlotte Pct. 22 *, Charlotte Pct. 25 *, Charlotte Pct. 27 *, Charlotte Pct. 31 *, Charlotte Pct. 39 *, Charlotte Pct. 41 *,

Charlotte Pct. 42 *, Charlotte Pct. 50 *, Charlotte Pct. 52 *, Charlotte Pct. 54 *, Charlotte Pct. 55 *, Charlotte Pct. 56 *, Charlotte Pct. 57 *, Charlotte Pct. 58 *, Charlotte Pct. 59 *, Charlotte Pct. 73 *, Charlotte Pct. 75 *, Charlotte Pct. 76 *, Charlotte Pct. 77 *, Charlotte Pct. 87 *, Charlotte Pct. 92 *, Charlotte Pct. 93 *, Charlotte Pct. 97 *, Charlotte Pct. 98 *, LC2, Charlotte Pct. 16 Part.

District 34: Lincoln County: Lowesville, Triangle; Mecklenburg County: Charlotte Pct. 4, Charlotte Pct. 23 *, Charlotte Pct. 24 *, Charlotte Pct. 26 *, Charlotte Pct. 40 *, Charlotte Pct. 53 *, Charlotte Pct. 60, Charlotte Pct. 78 *, Charlotte Pct. 79 *, Charlotte Pct. 80 *, Charlotte Pct. 81 *, Charlotte Pct. 82 *, Charlotte Pct. 89 *, BER *, COR *, CO2 *, DAV *, HUN *, LEM *, LC1 - North, LC1 - South, MC1, MC2, MC1 part, XMC2 Noncontiguous, OAK, PC1 *, PC2 *, SC1, SC2, Charlotte Pct. 105.

District 35: Mecklenburg County: Charlotte Pct. 8 *, Charlotte Pct. 19 *, Charlotte Pct. 32 *, Charlotte Pct. 36 *, Charlotte Pct. 47 *, Charlotte Pct. 48 *, Charlotte Pct. 65 *, Charlotte Pct. 66 *, Charlotte Pct. 67 *, Charlotte Pct. 68 *, Charlotte Pct. 69 *, Charlotte Pct. 70 *, Charlotte Pct. 71 *, Charlotte Pct. 72 *, Charlotte Pct. 74 *, Charlotte Pct. 83 *, Charlotte Pct. 85 *, Charlotte Pct. 86 *, Charlotte Pct. 88 *, Charlotte Pct. 90 *, Charlotte Pct. 91, Charlotte Pct. 94 *, Charlotte Pct. 96 *, CCK *, MA1 *, MA2 *, MA3 *, MA4 *, Charlotte Pct. 102, MH1 *, MH2 *, MH3 *, PVL *, PR1, PR2, PR3, Charlotte Pct. 93 Part, Charlotte Pct. 100 *.

District 36: Wake County: Bartons Creek #1 *, Bartons Creek #2 *, Cary #1 *, Cary #2 *, Cary #3 *, Cary #4 *, Cary #5 *, Cary #6 *, Cary #7 *, Cary #8 *, Cary #9 *, Cary #10 *, House Creek #2 *, House Creek #3 *, House Creek #4 *, House Creek #5 *, House Creek #6 *, Leesville #2 *, Meredith *, Neuse #1 *, Neuse #2 *, New Light #1 *, St. Marys #5 *, Swift Creek #1 *, Swift Creek #2 *, Swift Creek #3 *, Swift Creek #4 *, White Oak #1 *.

District 37: Cleveland County: Holly Springs *, Boiling Springs *, Mrb-Yo *, Pearl *, East Kings Mountain *, West Kings Mountain *, Grover *, Bethware *, Waco *, Shelby #1 *, Shelby #2 *, Shelby #3 *, Shelby #5 *, Shelby #6 *, Shelby #7 *, Shanghai *, Lattimore *, Mulls *, Casar *; Rutherford County.

District 38: Davidson County: Alleghany *, Arcadia *, Holly Grove *, Liberty *, Denton *, Emmons *, Silver Valley *, Hampton *, Healing Springs *, Jackson Hill *, Lexington No. 3 *, Welcome *, Midway *, Reeds *, Reedy Creek *, Thomasville No. 1 *, Thomasville No. 2 *, Thomasville No. 3 *, Thomasville No. 4 *, Thomasville No. 5 *, Thomasville No. 7 *, Thomasville No. 9 *, Thomasville No. 10 *, Yadkin College *; Davie County; Forsyth County: Clemmonsville #2 *, Clemmonsville #3 *; Rowan County: N. China Grove *, Barnhardt Mill *, Rockwell *, Bostian Crossroads *, Faith, Sumner *, Morgan I *, Morgan II *, Gold Knob *, Granite Quarry *.

District 39: Gaston County: Alexis *, Belmont #1 *, Cramerton *, High Shoals *, Forest Heights *, Gaston Day *, South Gastonia *, Lucia *, Mt. Holly #1 *, Mt. Holly #2 *, Stanley #1 *, Stanley #2 *, Belmont #2 *, Belmont #3 *, Catawba Heights *, New Hope *, Southpoint *, Union *; Iredell County: Bethany *, Chambersburg *, Coddle Creek #4 *, Concord *, Davidson *, Fallstown *, Sharpesburg *, Shiloh *, Statesville #1 *, Statesville #2 *; Lincoln County: Westport, Iron Station, Salem, Denver.

District 40: Mecklenburg County: Charlotte Pct. 1 *, Charlotte Pct. 2 *, Charlotte Pct. 3, Charlotte Pct. 5 *, Charlotte Pct. 6 *, Charlotte Pct. 7 *, Charlotte Pct. 9 *, Charlotte Pct. 10 *, Charlotte Pct. 15 *, Charlotte Pct. 17 *, Charlotte Pct. 18 *, Charlotte Pct. 20 *, Charlotte Pct. 21 *, Charlotte Pct. 28 *, Charlotte Pct. 29 *, Charlotte Pct. 30 *, Charlotte Pct. 33 *, Charlotte Pct. 34 *, Charlotte Pct. 35 *, Charlotte Pct. 37 *, Charlotte Pct. 38 *, Charlotte Pct. 43 *, Charlotte Pct. 44 *, Charlotte Pct. 45 *, Charlotte Pct. 46 *, Charlotte Pct. 49 *, Charlotte Pct. 51 *, Charlotte Pct. 61 *, Charlotte Pct. 62 *, Charlotte Pct. 63 *, Charlotte Pct. 64 *, Charlotte Pct. 84 *, Charlotte Pct. 95 *, CO1 *, Charlotte Pct. 104.

District 41: Cumberland County: Westarea *, Cross Creek #1 *, Cross Creek #3 *, Cross Creek #5 *, Cross Creek #6 *, Cross Creek #13 *, Cross Creek #16 *, Cross Creek #17 *, Cross Creek #19 *, Cross Creek #24 *, Cross Creek #2 *, Eastover *, Spring Lake *, Beaver Lake *, Cottonade *, Morganton Road #1 *, Morganton Road #2 *, Seventy First #1 *.

District 42: Buncombe County: Broad River *, Fairview *, Limestone #2 *; Cherokee County; Clay County; Graham County; Haywood County: Cecil township, Pigeon township; Henderson

County: South Blue Ridge *, Bowmans Bluff *, Crab Creek *, Bat Cave *, Edneyville *, Green River *, Raven Rock *, Flat Rock *, Grimesdale *, Horse Shoe *, Laurel Park *, Northwest *, Rugby *, Southeast *, Southwest *, Valley Hill *, Fletcher *, Hoopers Creek *, Park Ridge *, Etowah *; Jackson County: Cashiers township; Macon County: Burningtown township, Cartoogechaye township, Ellijay township, Tract 9706: Block Group 2: Block 211A; Flats township, Franklin township: Tract 9703: Block Group 6: Block 606B, Block 607C, Block 609B, Block 612B, Block 612C, Block 612D, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619A, Block 619B, Block 620, Block 621, Block 624, Block 625, Block 626, Block 627, Block 628, Block 629, Block 630, Block 631, Block 632A, Block 632B, Block 633A, Block 633B; Block Group 8: Block 829, Block 830, Block 831, Block 832B; Tract 9707: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110B; Block Group 2: Block 201A, Block 201B, Block 201C, Block 202A, Block 202B, Block 202C, Block 202D, Block 203, Block 204, Block 208, Block 209; Highlands township, Millshoal township, Nantahala township, Smiths Bridge township, Sugar Fork township, Tract 9706: Block Group 3: Block 301E, Block 304B, Block 337B, Block 339B, Block 340B, Block 343, Block 344, Block 345, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354, Block 355, Block 356, Block 357, Block 358, Block 359, Block 360, Block 361, Block 362, Block 363, Block 364, Block 365, Block 366, Block 367, Block 368, Block 369; Polk County; Transylvania County: Catheys Creek township, Dunns Rock township, Eastatoe township, Gloucester township, Hogback township, Little River township.

~~(b) The names and boundaries of townships, towns and enumeration districts specified in this section are as they were legally defined and in effect as of January 1, 1980, and recognized in the 1980 U.S. census.~~

~~(c) For Guilford County, precinct boundaries are shown on the maps on file with the State Board of Elections on January 1, 1982, in accordance with G.S. 163-128(b).~~

~~For Mecklenburg County, precinct boundaries are as shown on the current maps in use on January 31, 1984, by the Mecklenburg County Board of Elections under G.S. 163-128(b).~~

~~If any changes in precinct boundaries are made, the areas on the maps shall still remain in the same Senate District.~~

~~The Wake County precinct boundaries are as shown on the current map in use by the Wake County Board of Elections on January 31,~~

~~1984, in accordance with G.S. 163-128(b). If changes in precinct boundaries are made, the areas on the map shall still remain in the same Senate District.~~

(b) The names and boundaries of townships, precincts (voting tabulation districts), tracts, block groups, and blocks, specified in this section are as they were legally defined and recognized in the 1990 U.S. Census, except as provided in subsection (c) of this section. Boundaries are as shown on the IVTD Version of the United States Bureau of the Census 1990 TIGER Files, with such modifications as made by the Legislative Services Office and shown on its computer database as of May 1, 1991, to reflect census blocks divided by prior district boundaries, and precincts added or modified as outlined in subsection (c) of this section.

(c) For Guilford County, precinct boundaries for High Point Precincts 20, 23, and 24 are as modified by the Guilford County Board of Elections and shown on the Legislative Services Office computer database as of May 1, 1991.

For Mecklenburg County, precinct boundaries are as altered by the Mecklenburg County Board of Elections as reported to the Legislative Services Office and shown on the Legislative Services Office computer database as of May 1, 1991.

For Wake County:

(1) St. Marys Precinct #7 is as created by the Wake County Board of Elections out of St. Marys Precinct #4;

(2) Raleigh 01-27 Part is an area reported by the Bureau of the Census as part of Raleigh 01-23 but has been put by the Wake County Board of Elections in Raleigh 01-27; and

(3) VTD ZZZZ has been assigned to the appropriate parts of Wake Forest #1 and Wake Forest #2,

all as shown on the Legislative Services Office computer database as of May 1, 1991.

For Anson, Bertie, Camden, Caswell, Franklin, Gates, Greene, Hertford, Hoke, Lee, Lincoln, Martin, Mitchell, Northampton, Pasquotank, Perquimans, Person, Tyrrell, Vance, Warren, and Yadkin Counties, precincts are as shown on maps on file with the Legislative Services Office as of May 1, 1991, except that:

(1) In Anson County, Lanesboro #1 and Lanesboro #2 are listed together as Lanesboro #1 and #2;

(2) In Vance County, where West Henderson II is not contiguous, the northerly part is listed as West Henderson IIA and the southerly part as West Henderson IIB;

(3) In Perquimans County, computer VTD Code 0005 (Tract 9801, Block 550A) is actually part of Belvidere Precinct and is districted with it notwithstanding any description above;

(4) In Greene County, Snow Hill Town Satellite is Tract 9503, Block 301A which is a part of Snow Hill Town Precinct entirely surrounded by Sugg Precinct and is districted with Sugg Precinct notwithstanding any description above;

(5) In Greene County, Snow Hill Town Sat B is Tract 9503, Block 224B which is a part of Snow Hill Town Precinct entirely surrounded by Snow Hill Rural Precinct and is districted with Snow Hill Rural Precinct notwithstanding any description above;

(6) In Mecklenburg County, Precinct XMC2 Noncontiguous is Tract 55.01, Block 303C, and is districted with Precinct MC1 notwithstanding any description above;

(7) In Martin County, any listing of VTDs not defined consists of Tract 9705, Block 413 (which is in Poplar Point Precinct), Tract 9704, Block 202 (which is in Goose Nest Precinct), and Tract 9706, Block 168A (which is in Robersonville #2 Precinct), and those blocks are districted with those respective precincts regardless of any listing above;

(8) In New Hanover County, Tract 123.98, Blocks 307B, 308A, 309, 310A, 311A, and 312A, listed by the Census Bureau as Part of VTD ZZZZ, are districted by this section as part of Wilmington #2.

If any precinct or township boundaries are changed, such changes shall not change the boundaries of the Senatorial Districts, which shall remain the same.

In the case where any individual blocks are listed above, the district allocation of unlisted water blocks shall be as found on maps and statistical reports of the districts on file with the Secretary of State.

(d) If this section does not specifically assign any area within North Carolina to a district, and the area is:

(1) Entirely surrounded by a single district, the area shall be deemed to have been assigned to that district;

(2) Contiguous to two or more districts, the area shall be deemed to have been assigned to that district which contains the least population according to the 1990 United States Census; or

(3) Contiguous to only one district and to another state or the Atlantic Ocean, the area shall be deemed to have been assigned to that district."

Sec. 2. Chapter 676, Session Laws of 1991, is repealed.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of January, 1992.

H.B. 2 **CHAPTER 5**

AN ACT TO ESTABLISH HOUSE OF REPRESENTATIVES DISTRICTS AND TO APPORTION SEATS IN THE HOUSE OF REPRESENTATIVES AMONG DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 675, Session Laws of 1991, is repealed.

Sec. 2. G.S. 120-2 reads as rewritten:

"*§ 120-2. House apportionment specified.*

(a) For the purpose of nominating and electing members of the North Carolina House of Representatives in ~~1984~~ 1992 and periodically thereafter, the State of North Carolina shall be divided into the following districts with each district electing one Representative, except that Districts 4, 14, 17, 18, 19, 22, 24, 41, 45, 46, 52, and 89 each elect two Representatives and except that Districts 23, 25, 40, 48, and 51 each elect three Representatives:

~~District 1 shall elect two Representatives and shall consist of Camden, Chowan, Currituck, Dare, Pasquotank, Perquimans, and Tyrrell Counties; Holly Grove Township of Gates County; and Lees Mills, Plymouth, and Skinnersville Townships of Washington County.~~

~~District 2 shall elect one Representative and shall consist of Beaufort and Hyde Counties; and Scuppernong Township of Washington County.~~

~~District 3 shall elect three Representatives and shall consist of Craven, Lenoir, and Pamlico Counties.~~

~~District 4 shall elect three Representatives and shall consist of Carteret and Onslow Counties.~~

~~District 5 shall elect one Representative and shall consist of Northampton County; Indian Woods, Roxobel, Snake Bite, and Woodville Townships of Bertie County; Gatesville, Hall, Haslett, Hunters Mill, Mintonsville, and Reynoldson Townships of Gates County; and Harrellsville, Maneys Neck, Murfreesboro, St. Johns, and Winton Townships of Hertford County.~~

~~District 6 shall elect one Representative and shall consist of Colerain, Merry Hill, Mitchells, Whites, and Windsor Townships of Bertie County; Ahoskie Township of Hertford County; Beargrass, Cross Roads, Giffins, Jamesville, Poplar Point, Williams, and Williamston Townships of Martin County; and Bethel and Carolina Townships of Pitt County.~~

~~District 7 shall elect one Representative and shall consist of Brinkleyville, Butterwood, Conoconnara, Enfield, Faucett, Halifax, Palmyra, Roseneath, Scotland Neck, and Weldon Townships of Halifax County; Goose Nest, Hamilton, and Robersonville Townships of Martin County; and Fishing Creek, Fork, Sandy Creek, Shocco, and Warrenton Townships of Warren County.~~

~~District 8 shall elect three Representatives and shall consist of the remainders of Edgecombe, Nash, and Wilson Counties that are not included in District 70.~~

~~District 9 shall elect two Representatives and shall consist of Greene County; and Arthur, Ayden, Belvoir, Chicod, Falkland, Farmville, Fountain, Greenville, Grifton, Grimesland, Pactolus, Swift Creek, and Winterville Townships of Pitt County.~~

~~District 10 shall elect one Representative and shall consist of Duplin and Jones Counties.~~

~~District 11 shall elect two Representatives and shall consist of Wayne County.~~

~~District 12 shall elect two Representatives and shall consist of Bladen and Sampson Counties; and Burgaw, Caswell, Columbia, Holly, Canetuck, Grady, Long Creek, Rocky Point, and Union Townships of Pender County.~~

~~District 13 shall elect two Representatives and shall consist of Federal Point, Harnett, Masonboro, and Wilmington Townships of New Hanover County.~~

~~District 14 shall elect one Representative and shall consist of Brunswick County; Cape Fear Township of New Hanover County; and Topsail Township of Pender County.~~

~~District 15 shall elect one Representative and shall consist of Columbus County.~~

~~District 16 shall elect three Representatives and shall consist of Hoke and Robeson Counties; and Spring Hill, Stewartsville, and Wiliamsons Townships of Scotland County.~~

~~District 17 shall elect two Representatives and shall consist of Block 901 and Enumeration District 534 of Census Tract 34 in Manchester Township, Block 901 and Enumeration District 535 of Census Tract 34 in Seventy-First Township, Block 901 of Census Tract 34 in Carver's Creek Township, Cross Creek Precincts 1, 3, 5, 9, 13, 16, 17, and 19, Spring Lake Precinct, Morganton Road 1 Precinct, Beaver Lake Precinct, Westarea Precinct, and that part of Census Tract 33.02 in Precinct Seventy-First 1. Any part of Cross Creek Township which may be entirely surrounded by Morganton Road 1 Precinct shall also be in the District. Block 304 of Census Tract 26 of Cross Creek Township is not in the District.~~

~~District 18 shall elect three Representatives and shall consist of the remainder of Cumberland County not included in District 17.~~

~~District 19 shall elect two Representatives and shall consist of Harnett and Lee Counties.~~

~~District 20 shall elect two Representatives and shall consist of Franklin and Johnston Counties.~~

~~District 21 shall elect one Representative and shall consist of the following precincts of Wake County: Raleigh 14, 19, 20, 22, 25, 26, 28, 34, 35, 38, 40, and St. Matthews 3.~~

~~District 22 shall elect three Representatives and shall consist of Caswell, Granville, Person, and Vance Counties; Littleton and Roanoke Rapids Townships of Halifax County; and Hawtree, Judkins, Nutbush, River, Roanoke, Sixpound, and Smith Creek Townships of Warren County.~~

~~District 23 shall elect three Representatives and shall consist of Durham County.~~

~~District 24 shall elect two Representatives and shall consist of Orange County; and Baldwin, Cape Fear, Center, Hadley, Haw River, Hickory Mountain, Matthews, New Hope, Oakland, and Williams Townships of Chatham County.~~

~~District 25 shall elect four Representatives and shall consist of Alamance and Rockingham Counties; and Beaver Island and Snow Creek Townships of Stokes County.~~

~~District 26 shall elect one Representative and shall consist of Providence Township of Randolph County and Greensboro Precincts 5, 6, 7, 8, 19, 29, and 30, and Fentress Township of Guilford County.~~

~~District 27 shall elect three Representatives and shall consist of South Center Grove Precinct, Jamestown Precinct 2, North Madison Precinct, South Monroe Precinct, North Sumner Precinct, and Greensboro Precincts 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, 27, 28, 31, 32, 33, 34, 35, 36 of Guilford County.~~

~~District 28 shall elect two Representatives and shall consist of Deep River Township, Friendship Township, High Point Township, Jamestown Precincts 1 and 3, and South Sumner Precinct of Guilford County.~~

~~District 29 shall elect one Representative and shall consist of Belews Creek and Salem Chapel Townships of Forsyth County and North Center Grove Precinct, South Madison Precinct, North Monroe Precinct and Bruce, Clay, Greene, Jefferson, Oak Ridge, Rock Creek and Washington Townships of Guilford County.~~

~~District 30 shall elect one Representative and shall consist of Albright, Bear Creek, and Gulf Townships of Chatham County; and~~

~~Asheboro, Coleridge, Columbia, Franklinville, Liberty, and Randleman Townships of Randolph County.~~

~~District 31 shall elect one Representative and shall consist of Moore County.~~

~~District 32 shall elect one Representative and shall consist of Richmond County; and Laurel Hill Township of Scotland County.~~

~~District 33 shall elect one Representative and shall consist of Anson and Montgomery Counties.~~

~~District 34 shall elect four Representatives and shall consist of Cabarrus, Stanly, and Union Counties.~~

~~District 35 shall elect two Representatives and shall consist of Rowan County.~~

~~District 36 shall elect one Representative and shall consist of the following precincts of Mecklenburg County: Charlotte Precincts 6, 34, 62, 63, 83, 84, and 85, Clear Creek Precinct, Crab Orchard Precinct 1, Matthews Precinct, Mint Hill Precincts 1 and 2, and Morning Star Precinct.~~

~~District 37 shall elect three Representatives and shall consist of Davidson and Davie Counties; and Eagle Mills and Union Grove Townships of Iredell County.~~

~~District 38 shall elect one Representative and shall consist of Back Creek, Brower, Cedar Grove, Concord, Grant, Level Cross, New Hope, New Market, Pleasant Grove, Richland, Tabernacle, Trinity, and Union Townships of Randolph County.~~

~~District 39 shall elect three Representatives and shall consist of the remainder of Forsyth County not included in Districts 29, 66, or 67.~~

~~District 40 shall elect three Representatives and shall consist of Alleghany, Ashe, and Surry Counties; Big Creek, Danbury, Meadows, Peters Creek, Quaker Gap, Sauratown, and Yadkin Townships of Stokes County; and Bald Mountain, Blowing Rock, Blue Ridge, Boone, Brushy Fork, Cove Creek, Elk, Meat Camp, New River, North Fork, Stony Fork, and Watauga Townships of Watauga County.~~

~~District 41 shall elect two Representatives and shall consist of Wilkes and Yadkin Counties; and Gwaltneys, Sharpes, and Sugar Loaf Townships of Alexander County.~~

~~District 42 shall elect one Representative and shall consist of Bethany, Chambersburg, Concord, Cool Spring, New Hope, Olin, Sharpesburg, Statesville, and Turnersburg Townships of Iredell County.~~

~~District 43 shall elect one Representative and shall consist of Millers Township of Alexander County; Caldwell, Catawba, and Mountain Creek Townships of Catawba County; and Barringer,~~

~~Coddle Creek, Davidson, Fallstown, and Shiloh Townships of Iredell County.~~

~~District 44 shall elect four Representatives and shall consist of Gaston and Lincoln Counties.~~

~~District 45 shall elect two Representatives and shall consist of Lower Fork and Upper Fork Townships of Burke County; and Bandy's, Clines, Hickory, Jacobs Fork, and Newton Townships of Catawba County.~~

~~District 46 shall elect three Representatives and shall consist of Avery, Caldwell, and Mitchell Counties; Ellendale, Little River, Taylorsville, and Wittenberg Townships of Alexander County; Drexel, Icard, Jonas Ridge, Lower Creek, Smoky Creek, and Upper Creek Townships of Burke County; and Beaverdam, Laurel Creek, and Shawneehaw Townships of Watauga County.~~

~~District 47 shall elect one Representative and shall consist of Linville, Lovelady, Morganton, Quaker Meadow, and Silver Creek Townships of Burke County.~~

~~District 48 shall elect three Representatives and shall consist of Cleveland, Polk, and Rutherford Counties.~~

~~District 49 shall elect one Representative and shall consist of McDowell and Yancey Counties.~~

~~District 50 shall elect one Representative and shall consist of Blue Ridge, Clear Creek, Edneyville, Green River, Hendersonville, and Mills River Townships of Henderson County.~~

~~District 51 shall elect four Representatives and shall consist of Buncombe and Transylvania Counties; and Crab Creek and Hoopers Creek Townships of Henderson County.~~

~~District 52 shall elect two Representatives and shall consist of Haywood, Jackson, Madison, and Swain Counties; and Stecoah and Yellow Creek Townships of Graham County.~~

~~District 53 shall elect one Representative and shall consist of Cherokee, Clay, and Macon Counties; and Cheoah Township of Graham County.~~

~~District 54 shall elect one Representative and shall consist of the following precincts of Mecklenburg County: Charlotte Precincts 5, 28, 29, 43, 44, and 60, Cornelius Precinct, Crab Orchard Precinct 2, Davidson Precinct, Huntersville Precinct, Lemly Precinct, and Mallard Creek Precincts 1 and 2.~~

~~District 55 shall elect one Representative and shall consist of the following precincts of Mecklenburg County: Charlotte Precincts 8, 9, 10, 19, 32, 48, 50, 57, 58, 59, 74, 75, 76, and 77, Pineville Precinct, and Steel Creek Precinct 2.~~

~~District 56 shall elect one Representative and shall consist of the following precincts of Mecklenburg County: Charlotte Precincts 20,~~

~~21, 37, 38, 49, 51, 52, 78, 79, and 80, Berryhill Precinct, Long Creek Precinct 1, Oakdell Precinct, Paw Creek Precincts 1 and 2, and Steel Creek Precinct 1.~~

~~District 57 shall elect one Representative and shall consist of the following precincts of Mecklenburg County: Charlotte Precincts 35, 36, 47, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 86, and 88, and Providence Precinct.~~

~~District 58 shall elect one Representative and shall consist of Charlotte Precincts 1, 2, 3, 4, 7, 13, 14, 15, 17, 18, 33, 45, 46, and 61 of Mecklenburg County.~~

~~District 59 shall elect one Representative and shall consist of the following precincts of Mecklenburg County: Charlotte Precincts 11, 16, 22, 23, 27, 31, 39, 41, 53, 81, and 89, and Long Creek Precinct 2, and from Precinct 42 it shall include only Blocks 104 and 105 of Census Tract 53.02.~~

~~District 60 shall elect one Representative and shall consist of Charlotte Precincts 12, 24, 25, 26, 30, 40, 54, 55, 56, and 82 of Mecklenburg County, and shall include all of Precinct 42 in Mecklenburg County except for Blocks 104 and 105 of Census Tract 53.02.~~

~~District 61 shall elect one Representative and shall consist of Barton's Creek Township and New Light Township of Wake County and the following precincts of Wake County: Raleigh 3, 4, 5, 10, 11, 12, 13, 15, 17, 18, 30, 33, 36, 37, 39, House Creek 4, and Leesville.~~

~~District 62 shall elect one Representative and shall consist of Buckhorn Township, Holly Springs Township, Middle Creek Township, Panther Branch Township, and White Oak Township of Wake County and the following precincts of Wake County: Cary 1, 4, and 7, St. Mary's 1 and 2, and St. Matthews 2 and 4, except that in St. Mary's 2, it does not include Blocks 112, 951 and 952 (outside Garner city limits) of Census Tract 528.05 of St. Mary's Township.~~

~~District 63 shall elect one Representative and shall consist of Cedar Fork Township of Wake County and the following precincts of Wake County: Cary 2, 3, and 5, House Creek 1, 2, and 3, Meredith and Raleigh 16, 29, 31, 32, and 41.~~

~~District 64 shall elect one Representative and shall consist of the following precincts of Wake County: Cary 6, Raleigh 1, 2, 6, 7, 8, 9, 21, 23, 24, 27, St. Mary's 3, 4, 5, and 6, and Swift Creek 1 and 2. It also includes from St. Mary's 2 Blocks 112, 951, and 952 (outside Garner city limits) of Census Tract 528.05 of St. Mary's Township.~~

~~District 65 shall elect one Representative and shall consist of Little River Township, Mark's Creek Township and Wake Forest Township~~

~~of Wake County and the following precincts of Wake County: Raleigh 42, 43, 44, and 45, Neuse, and St. Matthews 1.~~

~~District 66 shall elect one Representative and shall consist of the following precincts of Forsyth County: 30-1, 40-1, 40-2, 40-3, 40-4, 40-5, 40-6, 50-1, 50-2, 50-3, 50-4, 50-5, 6-3, 8-2, and 8-3 but does not include that part of Block 314, Census Tract 33.03 of Winston Township which is not contiguous with the primary corporate limits of the City of Winston-Salem.~~

~~District 67 shall elect one Representative and shall consist of the following precincts of Forsyth County: 20-1, 20-2, 20-3, 20-4, 20-5, 20-6, 30-2, 30-3, 30-5, 30-6, 90-2, 90-3, 90-5, and 10-3.~~

~~District 70 shall elect one Representative and shall consist of the following:~~

~~(1) In Edgecombe County: Enumeration District 1154 of Census Tract 207 in Township 6 (Upper Fishing Creek); Census Tract 205 in Township 7 (Swift Creek); Enumeration Districts 1155, 1156, 1160, 1161, and 1162 of Census Tract 206 in Township 7 (Swift Creek); Census Blocks 101 through 106 and 121 through 128 in Census Tract 201 in the City of Rocky Mount in Township 12 (Rocky Mount); Census Blocks 112 through 139, Census Blocks 202 and 205 through 226, Census Block Group 3, and Census Block Group 4 of Census Tract 202 in the City of Rocky Mount in Township 12 (Rocky Mount); Census Block Group 1, Census Blocks 201 through 210 and 216 through 228, Census Blocks 301 through 318, 334, and 335, and Census Block Group 4 of Census Tract 204 in the City of Rocky Mount in Township 12 (Rocky Mount); Census Tracts 202, 203, 204, and 214 in Township 12 (Rocky Mount); Enumeration Districts 1191 and 1193 of Census Tract 213 in Township 12 (Rocky Mount); and Enumeration Districts 1223 and 1224 of Census Tract 202 and Enumeration Districts 1226A and 1226B of Census Tract 214 in Township 14 (Upper Town Creek).~~

~~(2) In Nash County: Census Tract 107 in North Whitakers Township; Census Block Groups 1, 2, and 3 and Census Blocks 403, 429, and 430 of Census Tract 102 in the City of Rocky Mount in Rocky Mount Township; and Census Tracts 106 and 107 in South Whitakers Township.~~

~~(3) In Wilson County: Enumeration District 743 of Census Tract 7 in Gardner Township; Enumeration Districts 700, 701, 702, 703A, and 703B of Census Tract 13 in Toisnot Township; Census Tract 2, Enumeration District 736A and~~

~~Census Blocks 422, 423, and 424 of Census Tract 4, and Census Tracts 7, 8.01, and 8.02 in Wilson Township.~~

District 1: Camden County, Currituck County; Pasquotank County, Perquimans County: New Hope.

District 2: Beaufort County; Craven County: Epworth *, Vanceboro *; Hyde County; Pitt County: Chicod *, Grimesland *.

District 3: Craven County: Ernul *, Bridgeton *, Truitt *, Croatan *; Tract 9611: Block Group 1: Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 117, Block 118A, Block 118B, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127; Block Group 2: Block 201, Block 205, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 224, Block 225; Havelock *: Tract 9611: Block Group 1: Block 128A, Block 128B, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134; Block Group 2: Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 251, Block 252, Block 253, Block 254A, Block 254B, Block 255A, Block 255B, Block 256, Block 257, Block 258, Block 259A, Block 259B, Block 260, Block 261, Block 262A, Block 262B, Block 262C, Block 263, Block 264, Block 265, Block 266, Block 267, Block 268, Block 269, Block 270, Block 271, Block 272, Block 273, Block 274, Block 275, Block 276, Block 277, Block 278, Block 279, Block 280A, Block 280B, Block 280C, Block 281, Block 282; Block Group 3; Tract 9612, Tract 9613: Block Group 1, Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210A, Block 210B, Block 210C, Block 211A, Block 211B, Block 211C, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217A, Block 217B, Block 217C, Block 218A, Block 218B, Block 218C, Block 220, Block 221, Block 224, Block 225; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306A, Block 306B, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316A, Block 316B, Block 317A, Block 317B, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323A, Block 323C; Block Group 4, Block Group 5: Block 503A, Block 503B, Block 503C, Block 503D, Block 503E, Block 505A, Block 505B, Block 506A, Block 506B, Block 507A, Block 507B, Block 508A, Block 508B, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520,

Block 521, Block 522, Block 523, Block 524, Block 525A, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 535, Block 536, Block 537, Block 540B; Block Group 6: Block 642, Block 643, Block 644A, Block 644B, Block 645; Grantham *, Fourth Ward *, Rhems *; Tract 9604: Block Group 7: Block 704; River Bend *, Trent Woods *, Woodrow *; Pamlico County: Township 1, Township 2, Township 3, Township 4, Township 5: Tract 9501: Block Group 6: Block 636, Block 637, Block 638, Block 639, Block 642, Block 643, Block 644, Block 645, Block 646, Block 647, Block 648, Block 649, Block 650, Block 651, Block 652; Tract 9502: Block Group 1: Block 125C, Block 128B, Block 133B, Block 149C, Block 150, Block 151, Block 152, Block 153B, Block 154B, Block 155, Block 156; Block Group 4: Block 411B, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424; Block Group 6: Block 601C, Block 601D, Block 602A, Block 602C, Block 603B, Block 604, Block 605, Block 606, Block 607, Block 608, Block 609B, Block 642, Block 643, Block 644, Block 645, Block 649, Block 650.

District 4: Carteret County; Onslow County: New River *, Brynn Marr *, Gum Branch *, Richlands *, Sneads Ferry *, Swansboro *, Mills *, Mortons *, Northeast *, Camp Lejeune Military Base 10, Camp Lejeune Military Base 12, Camp Lejeune Military Base 13, Camp Lejeune Military Base 14, VTD ZZZZ.

District 5: Bertie County: Colerain 1, Indian Woods, Roxobel, Snakebite, Woodville, Mitchells 2; Gates County, Hertford County: Ahoskie 3, Cofield, Harrellsville, Maneys Neck, Millennium, Murfreesboro 1, Murfreesboro 2, St. John, Union, Winton; Northampton County.

District 6: Bertie County: Merry Hill, Mitchells 1, Whites, Windsor 1, Colerain 2, Windsor 2; Hertford County: Ahoskie 1, Ahoskie 2; Martin County: Bear Grass, Cross Roads, Griffins, Jamesville, Williams, Williamston # 1, Williamston # 2; Pitt County: Carolina *, Simpson *, Pactolus *, Greenville #8 *, Washington County: Plymouth #1 *, Plymouth #2 *, Plymouth #3 *.

District 7: Edgecombe County: Precinct 5-1 *, Precinct 6-1 *; Halifax County: Hollister *, Ringwood *, Butterwood *, Conoconnara *, Enfield #1 *, Enfield #2 *, Enfield #3 *, Faucett *, Halifax *, Littleton #1 *, Hobgood *, Palmyra *, Roanoke Rapids #7 *, Roanoke Rapids #9 *, Roseneath *, Scotland Neck #1 *, Scotland Neck #2 *,

Weldon #1 *, Weldon #2 *, Weldon #3 *; Martin County: Goose Nest, Hassell, Hamilton, Poplar Point, VTD's not defined: Tract 9704: Block Group 2: Block 202; Tract 9705: Block Group 4: Block 413; Nash County: Castalia *, Griffins *, Mannings #1 *, No. Whitakers #1 *, No. Whitakers #2 *.

District 8: Edgecombe County: Precinct 1-1 *, Precinct 1-2 *: Tract 0209: Block Group 2: Block 201, Block 202, Block 203, Block 204A, Block 204B, Block 205, Block 206, Block 207A, Block 207B, Block 208A, Block 208B, Block 211, Block 212, Block 213, Block 214, Block 215, Block 219, Block 224, Block 228, Block 229; Precinct 2-1 *: Tract 0208: Block Group 2: Block 232A, Block 232B, Block 233, Block 234, Block 243B, Block 244B, Block 245, Block 248; Block Group 3: Block 301A, Block 301B, Block 301C, Block 302A, Block 302B, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 321A, Block 321B, Block 322A, Block 322B, Block 339A, Block 339B, Block 340A, Block 340B, Block 341, Block 342, Block 343, Block 344A, Block 344B, Block 345A, Block 345B, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351A, Block 351B, Block 352, Block 353, Block 354, Block 355, Block 356, Block 357, Block 358A, Block 359, Block 362A, Block 362B, Block 363; Tract 0209: Block Group 2: Block 220, Block 221, Block 222, Block 223; Precinct 3-1 *, Precinct 4-1 *; Greene County: Arba: Tract 9502: Block Group 3: Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329Y, Block 345, Block 347, Block 348, Block 349; Tract 9503: Block Group 2: Block 224Y, Block 229, Block 230, Block 231; Block Group 3: Block 322Y, Block 324, Block 325Y, Block 326Y, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334Y, Block 335, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351; Bull Head, Carrs, Fort Run, Shine, Jason: Tract 9502: Block Group 3: Block 301A, Block 301B, Block 301C, Block 302Y, Block 307Y, Block 308Y, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316A, Block 316B, Block 316C, Block 317, Block 318, Block 329Z, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 351, Block 352; Olds, Snow Hill Rural, Snow Hill Town, Snow Hill Town Sat B, Speights Bridge; Martin County: Robersonville # 1, Robersonville # 2, VTD's not defined: Tract 9706: Block Group 1: Block 168A; Pitt County: Belvoir *, Bethel *, Falkland *, Farmville West *, Greenville #1 *, Greenville #2,

Greenville #3 *, Greenville #4 *, Greenville #5 *: Tract 0005: Block Group 1: Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138; Tract 0007: Block Group 1, Block Group 2: Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231; Block Group 3: Block 312, Block 313, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 343, Block 344, Block 345, Block 346; Greenville #6 *: Tract 0001: Block Group 4: Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 435, Block 436, Block 438, Block 439; Block Group 5: Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 508, Block 509, Block 510, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522, Block 523, Block 524, Block 525, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 535, Block 536, Block 537, Block 538; Tract 0004: Block Group 4: Block 415; Greenville #2 Noncontiguous.

District 9: Greene County: Ormonds; Pitt County: Arthur *, Ayden West *, Ayden East *, Farmville East *, Grifton *, Swift Creek *, Winterville West *, Winterville East *, Greenville #5 *: Tract 0006: Block Group 3: Block 315A, Block 315B, Block 316, Block 317A, Block 317B, Block 318, Block 319A, Block 319B, Block 319C, Block 320, Block 321, Block 322; Greenville #6 *: Tract 0001: Block Group 3: Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 331, Block 332; Block Group 4: Block 413, Block 420, Block 432, Block 433, Block 434, Block 437; Block Group 5: Block 501, Block 511, Block 512, Block 539; Block Group 6: Block 605, Block 606, Block 607, Block 608, Block 611, Block 612, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622; Tract 0004: Block Group 4: Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 416, Block 417, Block 418; Tract 0005: Block Group 1: Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118; Greenville #7 *, Greenville #9 *, Tract 0001: Block Group 6: Block 623; Tract

0004: Block Group 4: Block 406, Block 407, Block 414; Greenville #10 *, Greenville #11 *, Greenville #12 *, Greenville #13 *.

District 10: Duplin County: Albertson *, Chinquapin *, Cypress Creek *, Calypso *, Faison *: Tract 9902: Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208A, Block 208B, Block 209A, Block 209B, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248, Block 249, Block 250, Block 251, Block 252, Block 253, Block 254, Block 255, Block 256, Block 257, Block 258A, Block 258B, Block 259, Block 260A, Block 263A, Block 265A, Block 268, Block 269, Block 270, Block 277, Block 278, Block 279, Block 280; Block Group 3: Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 318, Block 325, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 343, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354, Block 355; Glisson *, Charity *, Wallace *, Beulaville *, Cedar Fork *, Rose Hill *, Smith/Cabin *, Wolfscrape *; Jones County: Beaver Creek *, Chinquapin *, Cypress Creek *, Tuckahoe *; Onslow County: Cross Roads *, Catherine Lake *, Haw Branch *, Harris Creek *, Haws Run *, Holly Ridge *, Camp Lejeune Military Base 2, Camp Lejeune Military Base 3, Camp Lejeune Military Base 4.

District 11: Lenoir County: Moseley Hall *, Pink Hill #1 *, Pink Hill #2 *, Trent #1 *, Trent #2 *, Woodlington *; Wayne County: Brogden *: Tract 0009: Block Group 1: Block 101, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116A, Block 116B, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128; Block Group 2, Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 421, Block 422, Block 423, Block 424, Block 425; Block Group 5:

Block 502B, Block 505; Block Group 6: Block 601, Block 602, Block 603, Block 618; Mt. Olive *: Tract 0007: Block Group 3: Block 301, Block 302, Block 303, Block 308, Block 309, Block 310, Block 311, Block 312B, Block 318B; Tract 0008: Block Group 1: Block 101A, Block 101B, Block 101C, Block 101D, Block 101E, Block 102, Block 103, Block 104A, Block 104B, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146A, Block 146B; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 217, Block 218, Block 219A, Block 219B, Block 219C, Block 219D, Block 220, Block 221, Block 222, Block 223, Block 224A, Block 224B; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317B, Block 318, Block 319, Block 320A, Block 320B, Block 321A, Block 321B, Block 324, Block 325, Block 326; Tract 0009: Block Group 3: Block 318; Block Group 6: Block 604, Block 605, Block 606, Block 607A, Block 609, Block 610, Block 611, Block 612, Block 613, Block 614, Block 615, Block 616, Block 617, Block 619, Block 620, Block 621; Block Group 7: Block 714, Block 715, Block 716, Block 717, Block 718, Block 719, Block 720, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726A, Block 726C, Block 727; Grantham *: Tract 0010: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 248, Block 249, Block 250, Block 251, Block 252; Block Group 3; Goldsboro #2 *: Tract 0014: Block Group 1: Block 112, Block 113, Block 131; Block Group 2, Block Group 4: Block 406, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block

435, Block 436; Tract 0015: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114; Block Group 2: Block 201, Block 203, Block 204, Block 206, Block 207, Block 208, Block 209, Block 210, Block 212, Block 213, Block 214, Block 215, Block 220, Block 221, Block 222, Block 223, Block 224; Tract 0017: Block Group 1: Block 110; Tract 0018: Block Group 4: Block 420, Block 421, Block 422, Block 423, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437; Tract 0019: Block Group 3: Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 348, Block 349, Block 350, Block 351, Block 352; Goldsboro #3 *: Tract 0018: Block Group 1: Block 101, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 411, Block 414, Block 419; Tract 0019: Block Group 1: Block 108, Block 109, Block 110, Block 111, Block 116, Block 118, Block 119, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 148, Block 151, Block 152; Block Group 2: Block 207, Block 219; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 331; Goldsboro #4 *: Tract 0013: Block Group 3: Block 301, Block 306A, Block 306B, Block 307, Block 308, Block 309, Block 310A, Block 310B, Block 310C, Block 311, Block 312A, Block 312B, Block 312C, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332A, Block 332B, Block 332C, Block 333, Block 337, Block 339, Block 340, Block 341, Block 342, Block 343A, Block 343B; Goldsboro #5 *: Tract 0014: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150; Block Group 3, Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413,

Block 414, Block 415, Block 416, Block 417, Block 418; Block Group 5: Block 501, Block 502, Block 503, Block 505, Block 506; Tract 0019: Block Group 2: Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 220; Block Group 3: Block 330, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 343, Block 344, Block 345, Block 346, Block 347; Indian Springs *, White Hall *, New Hope *, Pinewood *.

District 12: Onslow County: Folkstone *, Verona *, Camp Lejeune Military Base 1; Pender County: North Burgaw *: Tract 9803: Block Group 1: Block 144A, Block 146; Block Group 2: Block 246A, Block 247B, Block 254A, Block 254B, Block 257A, Block 258A; Tract 9804: Block Group 1: Block 106, Block 110; Block Group 3: Block 301C, Block 302B, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408A, Block 409A, Block 418A, Block 420A, Block 424A, Block 425A, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442A, Block 442B, Block 443, Block 444, Block 445, Block 446B, Block 447, Block 448, Block 449, Block 450, Block 451, Block 452, Block 453A, Block 453B, Block 454, Block 455, Block 456, Block 457, Block 458, Block 459, Block 460, Block 461, Block 462, Block 463, Block 464, Block 465, Block 466, Block 467A, Block 467B, Block 468A, Block 468B, Block 469, Block 470, Block 481, Block 482, Block 483; South Burgaw *: Tract 9804: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 116, Block 117; Block Group 2: Block 201, Block 202, Block 203A, Block 204A, Block 205A, Block 205B, Block 206A, Block 206B, Block 213, Block 214, Block 221, Block 222, Block 224; Block Group 3: Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 343, Block 344, Block 345, Block 346A, Block 348A, Block 349, Block 350, Block 351, Block 353; Block Group 5: Block 501, Block 502, Block 521, Block 522, Block 523, Block 524, Block 539, Block 540; Caswell *, Columbia *, Middle Holly *, Upper Holly *, Long Creek *, Penderlea *, Lower Union *, Upper Union *, Rocky Point *: Tract 9802: Block Group 2: Block 203, Block 204, Block 205, Block 206,

Block 207, Block 208, Block 209, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231A, Block 232, Block 233, Block 234A, Block 235, Block 236A, Block 237, Block 253, Block 254, Block 255, Block 256, Block 257, Block 258, Block 259, Block 260, Block 261, Block 262, Block 285, Block 286; Tract 9804: Block Group 5: Block 556C; Tract 9806: Block Group 1: Block 102, Block 103, Block 104, Block 105, Block 106, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 127, Block 128, Block 131, Block 132, Block 133, Block 134, Block 135; Block Group 2: Block 201, Block 202, Block 203B, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213B, Block 214B, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233; Block Group 3: Block 337B, Block 337C, Block 338B; Upper Topsail *, Surf City *; Sampson County: Kitty Fork *, Harrells *, Keener *, Ingold *, Newton Grove *, Northeast Clinton *, Central Clinton *, West Clinton *, Giddensville *: Tract 9701: Block Group 4: Block 402, Block 403, Block 404, Block 405, Block 406, Block 426, Block 427, Block 428, Block 435, Block 436; Southwest Clinton *, Rowan *, Garland *, Turkey *: Tract 9701: Block Group 1: Block 101A, Block 101B, Block 102A, Block 102B, Block 103, Block 111A, Block 111B, Block 112, Block 113, Block 114, Block 115A, Block 115B, Block 116A, Block 116B, Block 117, Block 118, Block 119, Block 120A, Block 120B, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 157, Block 158, Block 159, Block 160, Block 161, Block 162, Block 163, Block 164, Block 165, Block 166, Block 167, Block 168, Block 169, Block 170, Block 171, Block 172, Block 173, Block 174, Block 175, Block 176, Block 177, Block 178, Block 179, Block 180, Block 181A, Block 181B; Block Group 2: Block 203, Block 204, Block 205, Block 206, Block 207, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 230; Westbrook *, Lakewood *.

District 13: New Hanover County: Federal Point #1 *, Federal Point #2 *, Federal Point #3 *, Wrightsville Beach *, Harnett #3 *,

Harnett #4 *: Tract 0119.01: Block Group 1: Block 101, Block 103, Block 104; Block Group 2, Block Group 3: Block 310, Block 311, Block 312C; Block Group 4: Block 401A, Block 401C, Block 402B, Block 407, Block 408, Block 409; Tract 0119.02: Block Group 1: Block 101, Block 102; Block Group 5: Block 520, Block 521, Block 522, Block 523, Block 524A, Block 525A, Block 525B; Block Group 6: Block 611A; Harnett #5 *, Harnett #6 *: Tract 0116.01: Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606, Block 607, Block 608, Block 609, Block 610, Block 611, Block 612, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622, Block 623, Block 624, Block 625, Block 626, Block 627, Block 628, Block 629, Block 630, Block 631, Block 632, Block 633; Masonboro #2 *, Masonboro #5 *, Wilmington #9 *: Tract 0102: Block Group 1: Block 102, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 126; Tract 0103: Block Group 3, Block Group 4, Block Group 5: Block 508, Block 509; Wilmington #12 *, Wilmington #13 *, Wilmington #14 *, Wilmington #15 *: Tract 0105.02: Block Group 3: Block 302, Block 303, Block 304, Block 310; Wilmington #17 *, Wilmington #18 *.

District 14: Brunswick County: Lockwoods Folly township, Northwest township: Tract 0201.98: Block Group 1: Block 158, Block 159; Block Group 2: Block 206, Block 208, Block 209, Block 210, Block 211, Block 212; Block Group 4: Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416; Block Group 5: Block 501A, Block 503, Block 504, Block 505, Block 506, Block 507, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519; Block Group 6: Block 601, Block 602, Block 603; Block Group 7: Block 701, Block 704, Block 705, Block 707, Block 708, Block 709, Block 710, Block 711, Block 712, Block 713A, Block 719A, Block 720; Block Group 8: Block 814, Block 815, Block 816, Block 817, Block 818, Block 819, Block 820, Block 821, Block 823, Block 824, Block 825, Block 826, Block 827, Block 828, Block 829, Block 830, Block 831, Block 832, Block 833; Tract 0206: Block Group 5: Block 501A, Block 501B, Block 502A, Block 502B, Block 503, Block 504, Block 505A, Block 505B, Block 506, Block 507A, Block 507B, Block 507C, Block 508, Block 509, Block 510, Block 511A, Block 512, Block 513, Block 514, Block 515, Block 516A, Block 517, Block 518A, Block 523A, Block 524A, Block 525, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531, Block 532A, Block 534A, Block 535A; Shallotte township, Smithville township,

Town Creek township: Tract 0201.98: Block Group 5: Block 501B, Block 508; Block Group 6: Block 604, Block 605, Block 606, Block 607, Block 608, Block 609, Block 610, Block 611; Block Group 7: Block 702, Block 703, Block 706, Block 713B, Block 714, Block 715, Block 716, Block 717, Block 718, Block 719B, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728, Block 729, Block 730, Block 731, Block 732, Block 733, Block 734; Tract 0202: Block Group 1: Block 106B, Block 109A, Block 109B, Block 110, Block 111, Block 112, Block 113; Block Group 2, Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306A, Block 306B, Block 306C, Block 306D, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313A, Block 313C, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 332A, Block 365, Block 366A, Block 366B, Block 367A, Block 367B, Block 368, Block 369, Block 370, Block 371, Block 372, Block 373, Block 374, Block 375, Block 376, Block 377, Block 378, Block 379, Block 380, Block 381, Block 382, Block 383, Block 384, Block 385, Block 386, Block 387, Block 388, Block 389, Block 390, Block 391; Block Group 4, Block Group 5: Block 501A, Block 501B, Block 501C, Block 501D, Block 501E, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 508A, Block 508B, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522, Block 523, Block 524, Block 525, Block 526A, Block 526B, Block 526C, Block 527A, Block 527B, Block 528, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 535, Block 536, Block 537, Block 538, Block 539, Block 540, Block 541, Block 542, Block 543, Block 544, Block 545, Block 546, Block 547, Block 548, Block 549, Block 550, Block 551, Block 552A, Block 552D, Block 553, Block 554, Block 556, Block 557, Block 558, Block 560, Block 561, Block 562, Block 563, Block 564, Block 565, Block 566, Block 567, Block 568, Block 569, Block 570, Block 595, Block 596, Block 597; Block Group 6, Block Group 7: Block 701A, Block 702, Block 703, Block 704, Block 705, Block 706, Block 707, Block 708, Block 709, Block 710, Block 711, Block 712, Block 713, Block 714, Block 715, Block 716, Block 717, Block 718, Block 719, Block 720, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728, Block 729, Block 730, Block 731, Block 732, Block 733, Block 734, Block 735, Block 736, Block 737, Block 738, Block 739, Block 740, Block 741, Block 742, Block 743, Block 744, Block 745, Block 746, Block 747, Block 748, Block 749, Block 750, Block 751, Block 752, Block 753, Block 754, Block 755, Block 756, Block 757, Block 758, Block 759, Block 760, Block 761, Block 762, Block

763, Block 764, Block 765, Block 766, Block 767, Block 768, Block 769A, Block 770A, Block 771A, Block 772, Block 773A, Block 774, Block 775, Block 776, Block 777, Block 778, Block 779, Block 780, Block 782A, Block 783, Block 784, Block 785, Block 786, Block 787A, Block 788, Block 789, Block 790, Block 791, Block 792, Block 793, Block 796, Block 797; Tract 0206: Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 352, Block 353, Block 354, Block 355, Block 356, Block 357, Block 358, Block 359; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405B, Block 423B, Block 424B, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432B, Block 433B, Block 453B, Block 454B, Block 455, Block 456, Block 457, Block 458B, Block 459, Block 461B, Block 462B, Block 479B, Block 483, Block 484, Block 485, Block 486, Block 487A, Block 487B, Block 488, Block 489, Block 490B, Block 491, Block 492, Block 493; Block Group 5: Block 511B, Block 516B, Block 518B, Block 519, Block 520, Block 521, Block 522, Block 523B, Block 524B, Block 532B, Block 533, Block 534B, Block 535B, Block 536, Block 537, Block 538, Block 539, Block 540, Block 541, Block 542, Block 543, Block 544, Block 545, Block 546, Block 547, Block 548, Block 549, Block 550, Block 551, Block 552, Block 553, Block 554, Block 555, Block 556, Block 557, Block 558, Block 559, Block 560, Block 561, Block 562, Block 563, Block 564, Block 565, Block 566, Block 567, Block 568, Block 569, Block 570, Block 571, Block 572, Block 573, Block 574, Block 575, Block 576, Block 577, Block 578, Block 579, Block 580, Block 581, Block 582, Block 583, Block 584, Block 585, Block 586, Block 587, Block 588, Block 589, Block 590, Block 591, Block 592, Block 593, Block 594, Block 595, Block 596, Block 597; Block Group 7; Waccamaw township; Columbus County: Bogue township: Tract 9903: Block Group 1: Block 138A, Block 139A, Block 140A, Block 141A, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151A, Block 152A, Block 164A, Block 165, Block 166, Block 167, Block 168, Block 169, Block 170, Block 171, Block 172, Block 173, Block 174A, Block 175, Block 176, Block 177, Block 178, Block 179, Block 180, Block 181, Block 182A, Block 183B, Block 186B, Block 187, Block 188, Block 189, Block 190; Block Group 2: Block 201A, Block 201C, Block 202, Block 204, Block 207, Block 212, Block 213, Block 214, Block 215, Block 216, Block 218B, Block 219A, Block 219B, Block 220A, Block 220B, Block 221A, Block 221B, Block 222, Block 223, Block 224, Block 225, Block 226; Tract 9904: Block Group 2: Block 203A, Block 204A, Block 206A,

Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 234A, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248, Block 249, Block 250, Block 251, Block 252, Block 253, Block 254, Block 255, Block 256, Block 257, Block 258, Block 259, Block 260, Block 261, Block 262, Block 263, Block 264, Block 265, Block 266, Block 267, Block 268, Block 269; Block Group 3: Block 302, Block 303, Block 304, Block 305, Block 306, Block 311, Block 312, Block 343, Block 366, Block 369; Tract 9913: Block Group 1: Block 151, Block 152, Block 178, Block 179; Bug Hill township, Cerro Gordo township: Tract 9906: Block Group 1: Block 101, Block 102A, Block 103, Block 104A, Block 105A, Block 106A, Block 107, Block 108, Block 109A, Block 109B, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115A, Block 115B, Block 116, Block 117, Block 128, Block 133A, Block 140, Block 141, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155; Block Group 4: Block 403A, Block 404A, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413A, Block 414, Block 426A, Block 427A, Block 427B, Block 430A, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436A, Block 438A, Block 438B, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446, Block 447, Block 448, Block 449, Block 450, Block 451, Block 452, Block 453, Block 454, Block 455, Block 456, Block 457A, Block 460A, Block 461A, Block 462A, Block 463, Block 464A, Block 465A, Block 466, Block 467, Block 468, Block 469A, Block 470A, Block 471A, Block 472A, Block 476A, Block 479, Block 480, Block 481, Block 482, Block 483, Block 484A, Block 485A, Block 486, Block 487; Tract 9907: Block Group 5: Block 505, Block 521A, Block 525A, Block 530A, Block 531A; Tract 9912: Block Group 2: Block 204A, Block 205A, Block 206A, Block 208A; Chadbourn township: Tract 9906: Block Group 4: Block 401A, Block 403B, Block 404B; Tract 9907: Block Group 1: Block 101A, Block 116, Block 117A, Block 118, Block 124A; Block Group 2: Block 201A, Block 201B, Block 202A, Block 202B, Block 203A, Block 203B, Block 204A, Block 204B, Block 205A, Block 205B, Block 206, Block 207, Block 208A, Block 208B, Block 209A, Block 209B, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 231, Block 240; Block Group 3, Block Group

4; Block 401, Block 402, Block 403, Block 404, Block 405, Block 406A, Block 406B, Block 407, Block 408, Block 409, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435; Block Group 5: Block 521B, Block 522, Block 523, Block 524, Block 525B, Block 526, Block 527, Block 528, Block 529, Block 530B, Block 531B, Block 532; Tract 9909: Block Group 6: Block 609, Block 610, Block 611, Block 613, Block 614, Block 618A, Block 620A, Block 621, Block 622, Block 623, Block 624, Block 625, Block 626A, Block 627A, Block 628, Block 629; Tract 9910: Block Group 2: Block 210A, Block 210B, Block 211A, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220A, Block 228, Block 229; Block Group 3: Block 302A, Block 303, Block 304, Block 305, Block 306, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339; Tract 9911: Block Group 1: Block 101, Block 102A; Fair Bluff township, Lees township, Ransom township: Tract 9901: Block Group 3: Block 310, Block 311, Block 312, Block 313, Block 315, Block 316B, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354, Block 355, Block 356, Block 357, Block 358, Block 359, Block 360, Block 361, Block 362, Block 363, Block 364, Block 365, Block 381, Block 382, Block 383, Block 384, Block 385, Block 386, Block 387, Block 388, Block 389, Block 390, Block 391, Block 392; Tract 9902: Block Group 1: Block 142B, Block 143B, Block 144, Block 145, Block 146, Block 147, Block 148B, Block 156B, Block 157B, Block 164B, Block 165, Block 166, Block 167, Block 168, Block 169, Block 170, Block 171, Block 172, Block 173, Block 174, Block 175, Block 176, Block 177, Block 178, Block 179, Block 180B, Block 189B, Block 190, Block 191, Block 192, Block 193; South Williams township, Tatums township: Tract 9905: Block Group 2: Block 233, Block 234, Block 246, Block 247; Block Group 3: Block 301, Block 303, Block 304B, Block 307, Block 308, Block 309, Block 311, Block 312, Block 313, Block 314; Block Group 4: Block 404A, Block 419, Block 420, Block 421, Block 422, Block 423; Tract 9907: Block Group 1: Block 101B; Block Group 5: Block 504; Tract 9908: Block Group 1: Block 120A; Waccamaw township, Whiteville township: Tract 9905: Block Group 4: Block 401, Block 402, Block 403, Block 404B; Tract 9907: Block Group 1: Block 101C, Block 102, Block 117B, Block 124B, Block 125, Block 126; Tract 9908: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107,

Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 119, Block 120B, Block 122, Block 123, Block 124, Block 125, Block 126; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 207, Block 208A, Block 208B, Block 209, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226; Block Group 3: Block 301, Block 304, Block 305, Block 306; Block Group 4: Block 405, Block 406; Tract 9909: Block Group 1: Block 104, Block 105, Block 106, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120; Block Group 2, Block Group 3: Block 307, Block 308, Block 343, Block 344, Block 345; Block Group 4: Block 423A, Block 424, Block 425; Block Group 5: Block 523, Block 524; Block Group 6: Block 617, Block 618B, Block 626B, Block 626C, Block 627B; Tract 9910: Block Group 1: Block 126C, Block 132C; Block Group 2: Block 201A, Block 201B, Block 201C, Block 202, Block 203, Block 204, Block 205, Block 206A, Block 206B, Block 207, Block 208, Block 209, Block 210C, Block 211B, Block 220B, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227; Block Group 3: Block 301B, Block 302B, Block 309B; New Hanover County: Masonboro #3 *, Masonboro #4 *, Wilmington #4 *, Wilmington #5 *, Wilmington #8 *: Tract 0107: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 115, Block 127, Block 131, Block 133, Block 134; Tract 0110: Block Group 2: Block 203, Block 205, Block 206, Block 212, Block 214, Block 215, Block 219, Block 220, Block 222, Block 224, Block 225, Block 226; Wilmington #11 *, Wilmington #16 *; Robeson County: Orrum *, Sterlings *.

District 15: Wake County: Marks Creek #1 *, Middle Creek #1 *, Panther Branch *, St. Marys #1 *, St. Marys #2 *, St. Marys #4 *, St. Matthews #2 *, St. Matthews #4 *, Swift Creek #2 *, Swift Creek #3 *.

District 16: Cumberland County: Cedar Creek *, Alderman *; Hoke County: Fort Bragg, Puppy Creek, McCain, Buchan, Raeford # 1, Raeford # 2, Rockfish; Moore County: Township 10, Little River; Robeson County: Britts *, East Howellsville *, West Howellsville *, Lumberton #3 *: Tract 9612: Block Group 2: Block 201, Block 202, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 215, Block 216, Block 217,

Block 218; Block Group 3: Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408A, Block 408B, Block 408C, Block 410; Tract 9613: Block Group 5: Block 511A, Block 511B, Block 512, Block 513, Block 514, Block 515, Block 522A, Block 522B, Block 522C, Block 523A, Block 523B, Block 524A, Block 524B, Block 525, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531A, Block 531B, Block 531C; Lumberton #4 *, Parkton *, North St. Pauls *, South St. Pauls *, Wishart *; Scotland County: Laurel Hill *, Laurinburg #3 *, Laurinburg #4 *, Laurinburg #5 *.

District 17: Cumberland County: Westarea *, Cross Creek #1 *, Cross Creek #3 *, Cross Creek #5 *, Cross Creek #9 *, Cross Creek #13 *, Cross Creek #16 *, Cross Creek #17 *, Cross Creek #19 *, Cross Creek #24 *, Manchester *, Spring Lake *, Beaver Lake *, Cottonade *, Morganton Road #1 *, Seventy First #1 *: Tract 0033.02: Block Group 1, Block Group 3: Block 301, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 312, Block 313, Block 314.

District 18: Cumberland County: Black River *, Linden *, Long Hill *, Cross Creek #4 *, Cross Creek #6 *, Cross Creek #7 *, Cross Creek #8 *, Cross Creek #11 *, Cross Creek #12 *, Cross Creek #14 *, Cross Creek #15 *, Cross Creek #18 *, Cross Creek #21, Cross Creek #22 *, Cross Creek #23 *, Cross Creek #2 *, Eastover *, Wade *, Pearces Mill #2 *, Pearces Mill #3 *, Brentwood *, Montclair *, Morganton Road #2 *, Seventy First #1 *: Tract 0033.01, Tract 0033.02: Block Group 3: Block 310.

District 19: Harnett County, Lee County, Sampson County: Herring *, Mingo *, Plainview *.

District 20: Franklin County: Dunn, Harris, Youngsville, Cyprus Creek, Pilot, Pearces; Johnston County: East Clayton *, West Clayton *, Micro *, North O'Neals *, South O'Neals *, West Selma *, Wilders *, Wilson's Mills *; Nash County: Bailey *, Coopers *, Drywells *, Ferrells *, Jacksons *.

District 21: Wake County: Raleigh 01-14 *, Raleigh 01-19 *, Raleigh 01-20 *, Raleigh 01-22 *, Raleigh 01-26 *, Raleigh 01-28 *,

Raleigh 01-34 *, Raleigh 01-38 *, Raleigh 01-40 *, Raleigh 01-46 *, St. Matthews #1 *, St. Matthews #3 *.

District 22: Franklin County: Franklinton, Hayesville, Sandy Creek, Gold Mine, Cedar Rock, Louisburg Country, Louisburg City; Granville County: Brassfield *, Butner *, Creedmoor *, Corinth *, Credle *, West Oxford Elementary *, Tally Ho *, Walnut Grove *; Halifax County: Littleton #2 *, Roanoke Rapids #1 *, Roanoke Rapids #2 *, Roanoke Rapids #3 *, Roanoke Rapids #4 *, Roanoke Rapids #5 *, Roanoke Rapids #6 *, Roanoke Rapids #8 *, Roanoke Rapids #10 *, Roanoke Rapids #11 *; Person County, Vance County: Hilltop, Kittrell, Watkins, West Henderson I, West Henderson IIB; Warren County: Fishing Creek, Judkins, River, Roanoke, Sixpound.

District 23: Durham County: Bragtown School *, Brogden Junior H.S. *, Burton School *, C.C. Spaulding School *, Club Blvd. School *, Durham Co. Main Library *, Durham High School *, Edison Johnson Community Center *, E.K. Powe School *, Fire Station #6 *, Forest Hills Club House *, Hillandale School *, Holloway Street School *, Holton Junior High School *, Holy Infant Catholic Church *, Hope Valley School *, Lakewood School *, Moose Lodge *, Morehead School *, Multi-Purpose Building/Duke *, NC School of Science & Math *, North Durham School Building *, Pearson School *, Pearsontown School *, R.N. Harris *, Rogers-Herr Junior H.S. *, Shephard Junior H.S. *, St. Stephens/Parish Hall *, Watts Street School *, Weaver Street Community Center *, White Rock Baptist Church *, Y.E. Smith School *, Campus Precinct *, Homestead Heights Baptist *, Cole Mill Church of Christ *, Carrington Junior H.S. *, Eno Valley School *, Northern H.S. *, DNOE VALLEY SCHOOL NONCONTIGUOUS *, Mangum School *, Rougemont United Methodist *, Bethesda Ruritan Club *, Durham Academy Gym *, Five Oaks Seventh Day Adventist Church *, Jordan H.S. *.

District 24: Chatham County: Albright *, Bynum *, East Mann's Chapel *, West Mann's Chapel *, Cape Fear *, East Pittsboro *, West Pittsboro *, Goldston *, Hadley *, Haw River *, Hickory Mountain *, New Hope *, Oakland *, East Williams *, West Williams *; Orange County: Orange Grove *, White Cross *, Cedar Grove *, Tolars *, Battle Park *, Coker Hills *, Coles Store *, Colonial Heights *, Country Club *, Dogwood Acres *, East Franklin *, Eastside *, Estes Hills *, Foxcroft *, Glenwood *, Greenwood *, Kings Mill *, Lincoln *, Lions Club *, Mason Farm *, North Carrboro *, Norside *, Owasa *, Patterson *, Ridgefield *, St. John

*, Town Hall *, Weaver Dairy *, Westwood *, Efland *, Eno *, St. Marys *, Cameron Park *, Grady Brown *, Hillsborough *, West Hillsborough *, Caldwell *.

District 25: Alamance County, Caswell County, Orange County: Carr *, Cheeks *; Rockingham County: New Bethel *, Reidsville #1 *, Reidsville #2 *, Reidsville #3 *, Reidsville #4 *, Reidsville #5 *, Reidsville #6 *, Oregon Hill *, Ruffin *, Ironworks *, Williamsburg *.

District 26: Guilford County: GB-01 *: Tract 0102: Block Group 1: Block 104, Block 105, Block 106, Block 107, Block 108, Block 110, Block 111, Block 115, Block 121; Block Group 2: Block 223; Tract 0127.04: Block Group 1: Block 106, Block 108, Block 109, Block 110, Block 111, Block 112; Block Group 2: Block 201, Block 202, Block 204; Tract 0154: Block Group 1: Block 101A, Block 102, Block 103A, Block 103B, Block 104, Block 106, Block 107, Block 108; GB-02 *, GB-03 *, GB-04 *, GB-05 *, GB-06 *, GB-07 *, GB-19 *, GB-29 *, GB-44 *, GB-45 *, North Jefferson *, South Jefferson *, North Madison *, South Monroe *.

District 27: Davidson County: Abbotts Creek *, Thomasville No. 8 *; Guilford County: GB-39 *, HP-04 *, HP-08 *, HP-10 *: Tract 0140: Block Group 1: Block 102, Block 107; Block Group 2: Block 210, Block 211, Block 212, Block 213, Block 214, Block 215; Block Group 3: Block 304, Block 305, Block 307, Block 309, Block 312, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319; Block Group 4: Block 401, Block 402, Block 403; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 513; Tract 0144.07: Block Group 2: Block 222, Block 223, Block 224, Block 240, Block 241, Block 242, Block 243, Block 246, Block 247, Block 248, Block 249, Block 250; HP-14 *, HP-15 *, HP-16 *, HP-18 *, HP-20 *, HP-23 *, HP-24 *, Deep River *, Friendship-1 *, Jamestown-3 *.

District 28: Guilford County: GB-08 *, GB-09 *, GB-30 *, GB-42 *, HP-05 *, HP-06 *, HP-07 *, HP-11 *, HP-12 *, HP-13 *, HP-21 *, HP-22 *, Jamestown-1 *, Jamestown-2 *, North Sumner *.

District 29: Guilford County: GB-20 *, GB-21 *, GB-27A *, GB-32 *, GB-34A *, GB-35A *, GB-37A *, GB-40A *, GB-41A *, North Center Grove *, South Center Grove *, Clay *, Fentress-2 *: Tract 0171: Block Group 2: Block 201, Block 202A, Block 202B, Block 203, Block 204, Block 205B, Block 213, Block 214, Block

215, Block 216, Block 217, Block 222, Block 223, Block 231B; Block Group 3: Block 301B, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 325, Block 330B, Block 332B, Block 333B, Block 334B, Block 339B, Block 342, Block 343, Block 351B, Block 355B, Block 358, Block 359B, Block 360, Block 362; Gibsonville *, Whitsett *, South Madison *, North Monroe *, North Washington *, South Washington *, GB-27B *, GB-34B *, GB-40B *, GB-41B *, GIB-G *, GB-27C *.

District 30: Chatham County: Bennett *, Bonlee *, Harpers Crossroads *, North Siler City *, South Siler City *; Guilford County: Greene *; Randolph County: North Asheboro *, McCrary *, Eastside *, Lindley Park *, Coleridge *, West Ramseur *, Staley *, East Ramseur *, Falls *, Franklinville *, Level Cross *, Liberty *, Providence *, East Randleman *, Worthville *.

District 31: Moore County: Township 1, Carthage, Township 2, Bensalem, Township 3, Sheffields, Township 4, Ritters, Township 5, Deep River, Township 6, Greenwood, Township 7, McNeill, Township 8, Sand Hill, Township 9, Mineral Springs.

District 32: Montgomery County: Rocky Springs township; Richmond County, Scotland County: Williamson-Depot *, Williamson-Gibson *.

District 33: Anson County, Montgomery County: Biscoe township, Cheek Creek township, Eldorado township, Little River township, Mount Gilead township, Ophir township, Peedee township, Star township, Troy township, Uwharrie township; Stanly County: Center township, Tyson township.

District 34: Union County: Altan *, Prospect *, Roughedge *, Smyrna *, Waxhaw *, Wilson's Old Store *, Lanes Creek *, North Marshville *, South Marshville *, Bakers *, Carmel *, Sutton Park *, Wingate *, East Monroe *, North Monroe *, South Monroe *, Olive Branch *, Mineral Springs *, Siler *.

District 35: Rowan County: Bradshaw *, Blackwelder Park *, West Landis *, Cleveland *, Franklin *, Faith Noncontiguous, Mt. Ulla *, East Spencer *, Milford Hills *, Spencer *, Trading Ford, West Innes *, East Ward I *, East Ward II *, North Ward I *, North Ward II *, South Ward *, West Ward I *, West Ward II *, West

Ward III *, Trading Ford Noncontiguous A, Scotch Irish *, Steele *, Unity *.

District 36: Mecklenburg County: Charlotte Pct. 5 *, Charlotte Pct. 6 *, Charlotte Pct. 17 *, Charlotte Pct. 29 *, Charlotte Pct. 33 *, Charlotte Pct. 34 *, Charlotte Pct. 46 *, Charlotte Pct. 62 *, Charlotte Pct. 63 *, Charlotte Pct. 84 *, MA2 *, MA3 *, Charlotte Pct. 102.

District 37: Davidson County: Boone *, Central *, Cotton *, Southmont *, Lexington No. 1 *, Lexington No. 2 *, Lexington No. 4 *, Ward No. 1 *, Ward No. 2 *, Ward No. 3 *, Ward No. 4 *, Ward No. 5 *, Ward No. 6 *, Tyro *, Silver Hill *, Thomasville No. 2 *, Thomasville No. 3 *, Thomasville No. 7 *.

District 38: Guilford County: Fentress-1 *, Fentress-2 *: Tract 0128.04: Block Group 4: Block 409B, Block 412B; Tract 0128.05: Block Group 9: Block 903B, Block 904, Block 905, Block 924B, Block 925B, Block 926B; Tract 0168: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 116, Block 133, Block 135; Block Group 2: Block 204B, Block 205A, Block 205D, Block 206A, Block 206F, Block 206G, Block 207B, Block 208A, Block 208B, Block 208C, Block 209A, Block 210A, Block 213, Block 214; Tract 0171: Block Group 1, Block Group 2: Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 218, Block 219, Block 221, Block 232, Block 233; Block Group 3: Block 361B; South Sumner *; Randolph County: Westside *, Loflin *, Armory *, South Pointe *, Back Creek *, Deep River *, East Cedar Grove *, West Cedar Grove *, East Archdale *, Concord *, Grant *, New Hope *, Richland *, Union *, North New Market *, South New Market *, West Randleman *.

District 39: Forsyth County: Clemmonsville #1 *, Lewisville #2 *, South Fork #3 *, Ardmore Baptist Church *, Bible Wesleyan Church *, Bolton Swimming Center *, Calvary Baptist Church *, First Christian Church *, Forsyth Tech W. Camp. *, Greek Orthodox Church *, Miller Park Recreation Center *, Mt. Tabor High School *, Parkway United Church *, Polo Park Recreation Center *, Reynolds High School Gym *, South Fork Elem School *, St. Anne's Episcopal Church *, Summit School *, Trinity United Methodist Church *, Whitaker Elementary School *.

District 40: Alleghany County; Ashe County; Stokes County; Surry County, Watauga County.

District 41: Alexander County: Gwaltneys township, Little River township, Millers township, Sharpes township, Sugar Loaf township, Taylorsville township, Wittenberg township; Wilkes County, Yadkin County.

District 42: Iredell County: Bethany *, Chambersburg *, Concord *, Cool Springs *, Eagle Mills *, New Hope *, Olin *, Sharpesburg *, Statesville #1 *, Statesville #2 *, Statesville #3 *, Statesville #4 *, Statesville #5 *, Statesville #6 *, Turnersburg *, Union Grove *.

District 43: Catawba County: Balls Creek *, East Maiden *, Catawba *, Monogram *, Claremont *, Sherrills Ford *; Iredell County: Barringer *, Coddle Creek #1 *, Coddle Creek #2 *, Coddle Creek #3 *, Coddle Creek #4 *, Davidson *, Fallstown *, Shiloh *.

District 44: Gaston County: Landers Chapel *, Tryon *, Bessemer City #1 *, Dallas #1 *, Firestone *, Health Center *, Highland *, Myrtle *, Woodhill *, Victory *; Lincoln County: North Brook I/II, Crouse, Heavners, Lincolnton/North, Lincolnton/South, Long Shoals, Lithia, Love Memorial.

District 45: Catawba County: Banoak *, Oxford *, Springs *, Brookford *, Mountain View #1 *, St. Stephens #1 *, Sweetwater *, Blackburn *, Conover West *, Conover East *, East Newton *, Maiden *, Mt. Olive *, North Newton *, South Newton *, Startown *, West Newton *; Gaston County: Alexis *, Dallas #2 *, High Shoals *, Lucia *, Mt. Holly #2 *, Stanley #2 *; Lincoln County: Westport, Daniels/Vale, Iron Station, Hickory Grove, Asbury, Salem, Boger City, Buffalo Shoals, Denver, Lowesville, North Brook III, Pumpkin Center, Triangle.

District 46: Avery County: Avery County; Burke County: Drexel #3 *, Icard #1 *, Icard #2 *, Icard #3 *, Icard #4 *, Icard #5 *, Jonas Ridge *, Lower Fork *, Smoky Creek *, Upper Fork *; Caldwell County: Globe *, Johns River *, Gamewell #1 *, Gamewell #2 *, Lenoir #2 *, Lenoir #3 *, Lovelady-Rhodhiss *, Lower Creek #2 *, North Catawba *, Wilson Creek *; Catawba County: Hickory #1 *, Hickory #2 *, Hickory #3 *, Hickory #4 *, Hickory #5 *, Highland *, Longview #1 *, Longview #2 *, Longview #3 *, Oakland Heights *, Sandy Ridge *, Viewmont #1 *, Viewmont #2 *, Mountain View #2 *; Mitchell County.

District 47: Burke County: Drexel #1 *, Drexel #2 *, Linville #2 *, Lovelady #1 *, Lovelady #2 *, Lovelady #3 *, Lovelady #4 *, Lower Creek *, Morganton #1 *, Morganton #3 *, Morganton #4 *, Morganton #5 *, Morganton #6 *, Morganton #7 *, Morganton #8 *, Morganton #9 *, Morganton #10 *, Quaker Meadow #1 *, Quaker Meadow #2 *, Silver Creek #1 *, Silver Creek #2 *, Silver Creek #3 *, Silver Creek #4 *.

District 48: Cleveland County, Gaston County: Cherryville #1 *, Cherryville #2 *, Cherryville #3 *, Bessemer City #2 *; Polk County: Columbus township, Greens Creek township, Tryon township, White Oak township; Rutherford County.

District 49: Burke County: Linville #1 *, Upper Creek *; McDowell County: McDowell County; Yancey County.

District 50: Henderson County: North Blue Ridge *, South Blue Ridge *, Clear Creek *, Bowmans Bluff *, Crab Creek *, Bat Cave *, Edneyville *, Green River *, Raven Rock *, Armory *, Flat Rock *, Grimesdale *, Horse Shoe *, Laurel Park *, Long John Mountain *, Moores Grove *, Northeast *, Pisgah View *, Southeast *, Southwest *, Valley Hill *, Fletcher *, Hoopers Creek *, Park Ridge *, Etowah *, South Mills River *; Polk County: Cooper Gap township, Saluda township.

District 51: Buncombe County: Asheville #1 *, Asheville #2 *, Asheville #3 *, Asheville #4 *, Asheville #5 *, Asheville #6 *, Asheville #7 *, Asheville #8 *, Asheville #9 *, Asheville #10 *, Asheville #11 *, Asheville #12 *, Asheville #13 *, Asheville #14 *, Asheville #15 *, Asheville #16 *, Asheville #17 *, Asheville #20 *, Asheville #21 *, Beaverdam *, Haw Creek *, Hazel #1 *, Hazel #2 *, Reynolds *, Woodfin *, Averys Creek *, Black Mountain #1 *, Black Mountain #2 *, Black Mountain #3 *, Black Mountain #4 *, Broad River *, Fairview *, Flat Creek *, French Broad *, Lower Hominy #1 *, Lower Hominy #2 *, Lower Hominy #3 *, Upper Hominy #1 *, Upper Hominy #2 *, Ivy #1 *, Ivy #2 *, Leicester *, West Buncombe *, Riceville *, Swannanoa #1 *, Swannanoa #2 *, Reems Creek *, Weaverville #1 *, Weaverville #2 *, Sandy Mush *.

District 52: Graham County; Haywood County; Jackson County: Barkers Creek township, Canada township, Caney Fork township, Cullowhee township, Dillsboro township, Greens Creek township, Mountain township, Qualla township, River township, Savannah

township, Scott Creek township, Sylva township, Webster township; Madison County; Swain County.

District 53: Cherokee County; Clay County; Jackson County: Cashiers township, Hamburg township; Macon County.

District 54: Mecklenburg County: Charlotte Pct. 26 *, Charlotte Pct. 28 *, Charlotte Pct. 60, Charlotte Pct. 82 *, COR *, CO2 *, DAV *, HUN *, MC1, MC1 part, XMC2 Noncontiguous: Tract 0055.01: Block Group 3: Block 303C; Charlotte Pct. 105.

District 55: Mecklenburg County: Charlotte Pct. 19 *, Charlotte Pct. 48 *, Charlotte Pct. 50 *, Charlotte Pct. 57 *, Charlotte Pct. 58 *, Charlotte Pct. 59 *, Charlotte Pct. 72 *, Charlotte Pct. 73 *, Charlotte Pct. 74 *, Charlotte Pct. 75 *, Charlotte Pct. 76 *, Charlotte Pct. 87 *, Charlotte Pct. 92 *, Charlotte Pct. 97 *, PVL *.

District 56: Mecklenburg County: Charlotte Pct. 7 *, Charlotte Pct. 8 *, Charlotte Pct. 9 *, Charlotte Pct. 10 *, Charlotte Pct. 13 *, Charlotte Pct. 20 *, Charlotte Pct. 21 *, Charlotte Pct. 22 *, Charlotte Pct. 32 *, Charlotte Pct. 35 *, Charlotte Pct. 37 *, Charlotte Pct. 38 *, Charlotte Pct. 47 *, Charlotte Pct. 49 *, Charlotte Pct. 51 *, Charlotte Pct. 52 *, Charlotte Pct. 77 *, Charlotte Pct. 98 *.

District 57: Mecklenburg County: Charlotte Pct. 36 *, Charlotte Pct. 64 *, Charlotte Pct. 65 *, Charlotte Pct. 66 *, Charlotte Pct. 67 *, Charlotte Pct. 68 *, Charlotte Pct. 69 *, Charlotte Pct. 70 *, Charlotte Pct. 71 *, Charlotte Pct. 85 *, Charlotte Pct. 86 *, Charlotte Pct. 91, Charlotte Pct. 93 *, Charlotte Pct. 96 *, Charlotte Pct. 93 Part, Charlotte Pct. 100 *.

District 58: Mecklenburg County: Charlotte Pct. 1 *, Charlotte Pct. 2 *, Charlotte Pct. 3, Charlotte Pct. 4, Charlotte Pct. 14 *, Charlotte Pct. 15 *, Charlotte Pct. 18 *, Charlotte Pct. 30 *, Charlotte Pct. 43 *, Charlotte Pct. 44 *, Charlotte Pct. 45 *, Charlotte Pct. 61 *, Charlotte Pct. 95 *, Charlotte Pct. 104.

District 59: Mecklenburg County: Charlotte Pct. 16 *, Charlotte Pct. 23 *, Charlotte Pct. 25 *, Charlotte Pct. 31 *, Charlotte Pct. 39 *, Charlotte Pct. 40 *, Charlotte Pct. 41 *, Charlotte Pct. 53 *, Charlotte Pct. 78 *, Charlotte Pct. 79 *, Charlotte Pct. 81 *, Charlotte Pct. 89 *, LC2, Charlotte Pct. 16 Part.

District 60: Mecklenburg County: Charlotte Pct. 11 *, Charlotte Pct. 12 *, Charlotte Pct. 24 *, Charlotte Pct. 27 *, Charlotte Pct. 42 *, Charlotte Pct. 54 *, Charlotte Pct. 55 *, Charlotte Pct. 56 *, LEM *, LC1 - North, LC1 - South, MC2, OAK, PC1 *.

District 61: Wake County: Raleigh 01-02 *, Raleigh 01-04 *, Raleigh 01-10 *, Raleigh 01-11 *, Raleigh 01-16 *, Raleigh 01-17 *, Raleigh 01-29 *, Raleigh 01-30 *, Raleigh 01-33 *, Raleigh 01-36 *, Raleigh 01-37 *, Raleigh 01-39 *, Raleigh 01-43 *, Raleigh 01-45 *, House Creek #1 *, House Creek #2 *, House Creek #3 *, House Creek #5 *.

District 62: Wake County: Buckhorn *, Cary #1 *, Cary #3 *, Cary #4 *, Cary #6 *, Cary #7 *, Cary #9 *, Cary #10 *, Holly Springs *, Middle Creek #2 *, White Oak #1 *, White Oak #2 *.

District 63: Durham County: Nelson Community Center *, Parkwood School *; Wake County: Raleigh 01-01 *, Raleigh 01-23 *, Raleigh 01-31 *, Raleigh 01-32 *, Raleigh 01-41 *, Cary #2 *, Cary #5 *, Cary #8 *, Cedar Fork *, Meredith *.

District 64: Wake County: Raleigh 01-03 *, Raleigh 01-05 *, Raleigh 01-06 *, Raleigh 01-07 *, Raleigh 01-09 *, Raleigh 01-12 *, Raleigh 01-13 *, Raleigh 01-15 *, Raleigh 01-18 *, Raleigh 01-21 *, Raleigh 01-27 *, Raleigh 01-35 *, Raleigh 01-27 Part, St. Marys #3 *, St. Marys #5 *, St. Marys #6 *, St. Marys # 7, Swift Creek #1 *, Swift Creek #4 *.

District 65: Wake County: Raleigh 01-42 *, Raleigh 01-44 *, Little River #1 *, Little River #2 *, Marks Creek #2 *, Neuse #1 *, Neuse #2 *, Wake Forest #1 *, Wake Forest #2 *.

District 66: Forsyth County: Broadbay #1 *, Middlefork #2 *, Middlefork #3 *, Ashley Middle School *, Covenant Presbyterian Church *, East Winston Library *, Easton Elementary School *, Forest Pk. Elementary School *, 14th Street Recreation Center *, Happy Hill Recreation Center *, Hill Middle School *, Kennedy Middle School *, Mineral Springs F. St *, Philo Middle School *, St. Andrews United Methodist *, Trinity Moravian Church *, Winston Lake Family YMCA *.

District 67: Forsyth County: Bethabara Moravian Church *, Bishop McGuinness *, Brown/Douglas Recreation *, Brunson Elementary School *, Carver High School *, Christ Moravian Church *, Forest

Hill Fire Station *, Hanes Community Center *, Latham Elementary School *, Lowrance Middle School *, M. L. King Recreation Center *, Memorial Coliseum *, Mt. Sinai Church *, New Hope United Methodist Church *, Old Town Presbyterian Church *, Parkland High School *.

District 68: Buncombe County: Asheville #18 *, Asheville #19 *, Biltmore *, Limestone #1 *, Limestone #2 *; Henderson County: Hendersonville #1 *, Hendersonville #2 *, Hendersonville #3 *, Northwest *, Rugby *, Northwest Non-contiguous *, Brickton, Brickton Noncontiguous, North Mills River *; Transylvania County: Transylvania County.

District 69: Mecklenburg County: Charlotte Pct. 83 *, Charlotte Pct. 88 *, Charlotte Pct. 90 *, Charlotte Pct. 94 *, CCK *, CO1 *, MA1 *, MA4 *, MH1 *, MH2 *, MH3 *, PR1, PR2, PR3.

District 70: Edgecombe County: Precinct 12-1 *, Precinct 12-2 *, Precinct 12-3 *, Precinct 12-4 *, Precinct 12-5 *, Precinct 14-1 *; Nash County: Rocky Mount #3 *, Rocky Mount #4 *; Wilson County: Toisnot *, Wilson A *, Wilson B *, Wilson E *, Wilson F *, Wilson G *, Wilson H *, Wilson N *, Wilson Q *.

District 71: Edgecombe County: Precinct 1-2 *: Tract 0209: Block Group 2: Block 209, Block 210, Block 216A, Block 216B, Block 217A, Block 217B, Block 217C, Block 217D, Block 218, Block 225, Block 226, Block 227; Tract 0210: Block Group 5: Block 506, Block 507, Block 516, Block 517, Block 518, Block 530, Block 531, Block 532; Block Group 9; Tract 0212: Block Group 2, Block Group 5; Tract 0213: Block Group 2: Block 248A, Block 248B, Block 250; Block Group 3: Block 301A, Block 301B, Block 302, Block 303, Block 304A, Block 304B, Block 305, Block 306A, Block 306B, Block 307, Block 308, Block 318A; Precinct 1-3 *, Precinct 1-4 *, Precinct 2-1 *: Tract 0208: Block Group 3: Block 303, Block 319, Block 320, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328A, Block 328B, Block 328C, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337A, Block 337B, Block 338A, Block 338B, Block 358B, Block 360A, Block 360B, Block 361, Block 364, Block 365, Block 366, Block 367, Block 368, Block 369, Block 370, Block 371, Block 372, Block 373, Block 374, Block 375, Block 376, Block 377, Block 378; Precinct 7-1 *, Precinct 8-1 *, Precinct 9-1 *, Precinct 10-1 *, Precinct 11-1 *, Precinct 13-1 *; Nash County: Mannings #2 *, Nashville *, Red Oak *, Battleboro *; Pitt County: Fountain *;

Wilson County: Black Creek *, Cross Roads *, Gardners *, Old Fields *, Saratoga *, Spring Hill *, Stantonsburg *.

District 72: Nash County: Oak Level, Oak Level Noncontiguous, Rocky Mount #1 *, Rocky Mount #2 *, Rocky Mount #5 *, Rocky Mount #6 *, Rocky Mount #7 *, Stony Creek #1, Stony Creek Noncontiguous A, Stony Creek Noncontiguous B; Wilson County: Taylors *, Wilson C *, Wilson D *, Wilson I *, Wilson J *, Wilson K *, Wilson L *, Wilson M *, Wilson P *.

District 73: Forsyth County: Belews Creek *; Rockingham County: Huntsville *, Central Area *, Draper #1 *, Draper #2 *, Leaksville #1 *, Leaksville #2 *, Leaksville #3 *, Spray #1 *, Madison #1 *, Madison #2 *, Martins *, Mayodan *, Dan Valley *, Shiloh *, Stoneville *, Hogans *, Price *, Mayfield *, Bethlehem *, Wentworth *.

District 74: Davidson County: Arcadia *, Hampton *, Lexington No. 3 *, Welcome *, Midway *, Reeds *, Reedy Creek *, Yadkin College *; Davie County: Davie County.

District 75: Cumberland County: Judson *, Stedman *, Cross Creek #10 *, Cross Creek #20 *, Vander *, Sherwood *, Pearces Mill #4 *, Cumberland #1 *, Cumberland #2 *, Hope Mills #1 *, Hope Mills #2 *, Seventy First #2 *, Seventy First #3 *.

District 76: Gaston County: Crowders Mtn. *, Ashbrook *, Forest Heights *, Gardner Park *, Gaston Day *, Robinson *, Sherwood *, South Gastonia *, New Hope *, Union *; Mecklenburg County: SC1, SC2.

District 77: Greene County: Arba: Tract 9502: Block Group 3: Block 346; Hookerton, Jason: Tract 9502: Block Group 3: Block 343, Block 344, Block 350, Block 353, Block 354; Snow Hill Town Satellite, Sugg, Tract 9503: Block Group 2: Block 232A, Block 233, Block 234; Lenoir County: Falling Creek *, Institute *, Kinston #3 *, Kinston #4 *, Kinston #5 *, Kinston #9 *, Neuse *, Sandhill *, Southwest *, Vance *; Wayne County: Buck Swamp *, Fork *, Great Swamp *, Goldsboro #3 *: Tract 0019: Block Group 1: Block 101, Block 102, Block 103, Block 104; Eureka *, Fremont *, Pikeville *, Saulston *, Stoney Creek *.

District 78: Granville County: Antioch *, Oak Hill *, East Oxford *, South Oxford *, Salem *, Sassafras Fork *; Vance County:

Dabney, Middleburg, Sandy Creek, Townsville, Williamsboro, East Henderson I, East Henderson II, North Henderson I, North Henderson II, South Henderson I, South Henderson II, West Henderson IIA; Warren County: Fork, Hawtree, Nutbush, Sandy Creek, Shocco, Smith Creek, East Warrenton, Norlina, West Norlina.

District 79: Craven County: Cove City *, Dover *, Fort Barnwell *, Harlowe *, Croatan *: Tract 9610: Block Group 7: Block 711, Block 712, Block 714, Block 715, Block 716, Block 717, Block 718, Block 719, Block 720, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728, Block 729, Block 730, Block 731, Block 732, Block 733, Block 734, Block 735, Block 736, Block 737, Block 738, Block 739, Block 740, Block 741, Block 742, Block 743, Block 744, Block 745, Block 746, Block 747, Block 748, Block 749, Block 750, Block 751, Block 752, Block 753, Block 754, Block 755; Tract 9611: Block Group 1: Block 116; Block Group 2: Block 202, Block 203, Block 204, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 223, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248, Block 289, Block 290; Havelock *: Tract 9611: Block Group 2: Block 249, Block 250, Block 283, Block 284, Block 285, Block 286, Block 287, Block 288, Block 291, Block 292, Block 293, Block 294, Block 295, Block 296, Block 297; Tract 9613: Block Group 2: Block 219A, Block 219B, Block 222, Block 223; Block Group 3: Block 323B, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329; Block Group 5: Block 503G, Block 525B; First Ward *, Second Ward *, Third Ward *, Fifth Ward *, Sixth Ward *, Clarks *, Country Club *, Rhems *: Tract 9604: Block Group 5: Block 516, Block 517, Block 518, Block 521D, Block 530B, Block 531C, Block 533, Block 534, Block 535, Block 536, Block 537, Block 538, Block 539, Block 540, Block 541, Block 542, Block 543, Block 544, Block 545, Block 546, Block 547A, Block 547B, Block 548, Block 549, Block 550, Block 556, Block 558, Block 559, Block 560, Block 561, Block 562B, Block 563, Block 564, Block 565, Block 566, Block 567, Block 568, Block 569, Block 570, Block 571, Block 572; Block Group 7: Block 701, Block 702, Block 711B, Block 712B, Block 738B, Block 739, Block 740, Block 741, Block 742, Block 743; Jasper *; Jones County: Pollocksville *, Trenton *, White Oak *; Lenoir County: Contentnea *, Kinston #1 *, Kinston #2 *, Kinston #6 *, Kinston #7 *, Kinston #8 *; Pamlico County: Township 5: Tract 9502: Block Group 1: Block 125A, Block 153A, Block 154A; Block Group 5, Block Group 6: Block 601A, Block 609A, Block 610, Block 611A, Block 611B, Block 612A, Block

612B, Block 613A, Block 613B, Block 614A, Block 614B, Block 614C, Block 614D, Block 614E, Block 615, Block 616A, Block 616B, Block 616C, Block 616D, Block 617A, Block 617B, Block 618, Block 619A, Block 619B, Block 619C, Block 620, Block 621, Block 622, Block 623, Block 624, Block 625, Block 626, Block 627, Block 628, Block 629, Block 630, Block 631, Block 632, Block 633, Block 634, Block 635, Block 636, Block 637, Block 638A, Block 638B, Block 638C, Block 639A, Block 639B, Block 640A, Block 640B, Block 641, Block 646, Block 647, Block 648.

District 80: Onslow County: East Northwoods *, West Northwoods *, Half Moon *, Jacksonville, Tar Landing *, Bear Creek *, Hubert *, Camp Lejeune Military Base 5, Camp Lejeune Military Base 6, Camp Lejeune Military Base 7, Camp Lejeune Military Base 8, Camp Lejeune Military Base 9, Camp Lejeune Military Base 11.

District 81: Cabarrus County: Township 1, Box 1 *, Township 1, Box 2 *, Township 1, Box 3 *, Township 2, Box 3 *, Township 2, Box 4 *, Township 3 *, Township 4, Box 1 Noncontiguous A, Township 4, Box 1 Noncontiguous B, Township 4, Box 1 Noncontiguous C, Township 5 *, Township 6 *, Township 7 *, Township 9 *, Township 10 *, Township 11 *, Township 12, Box 3 *; Union County: Fairview *, West Sandy Ridge *, Hemby Bridge *, Indian Trail *, Stallings *.

District 82: Cabarrus County: Township 8 *; Stanly County: Almond township, Big Lick township, Endy township, Furr township, Harris township, North Albemarle township, Ridenhour township, South Albemarle township; Union County: Unionville *, Crestview *, Euto *.

District 83: Rowan County: Enochville *, Bostian School *, N. China Grove *, S. China Grove *, East Kannapolis *, West Kannapolis *, East Landis *, Barnhardt Mill *, Rockwell *, Bostian Crossroads *, Faith, Locke *, Sumner *, Morgan I *, Morgan II *, Gold Knob *, Granite Quarry *, Hatters Shop *.

District 84: Forsyth County: Bethania #1 *, Bethania #2 *, Bethania #3 *, Kernersville #1 *, Kernersville #2 *, Kernersville #3 *, Kernersville #4 *, Old Town #2 *, Old Town #3 *, Salem Chapel #1 *, Salem Chapel #2 *; Guilford County: Bruce *, Oak Ridge *, Stokesdale *.

District 85: Hoke County: Antioch, Stonewall; Robeson County: Back Swamp *, Burnt Swamp *, Lumber Bridge *, Lumberton #1 *, Lumberton #2 *: Tract 9610: Block Group 1: Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 156, Block 157, Block 158, Block 159; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 236, Block 237; Tract 9612: Block Group 1: Block 118, Block 119, Block 120, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 130, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305; Tract 9613: Block Group 1: Block 102, Block 103A, Block 103B, Block 104, Block 105, Block 106, Block 107A, Block 107B, Block 108, Block 109, Block 110, Block 111, Block 112A, Block 112B, Block 113A, Block 113B, Block 114, Block 115A, Block 115B, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121A, Block 121B, Block 122, Block 123A, Block 123B, Block 123C, Block 124; Block Group 2: Block 230, Block 231, Block 232, Block 238, Block 239, Block 240, Block 241A, Block 241B, Block 242, Block 243, Block 244, Block 245, Block 246A, Block 246B, Block 247, Block 251, Block 252, Block 253, Block 254, Block 255, Block 256, Block 257A, Block 257B, Block 264A, Block 264B, Block 265A, Block 265B, Block 267, Block 268; Block Group 4: Block 401, Block 402, Block 405A, Block 405B, Block 406, Block 407, Block 408A, Block 408B, Block 408C, Block 408D, Block 409A, Block 409B, Block 410, Block 411A, Block 411B, Block 412, Block 413, Block 414A, Block 414B, Block 414C, Block 414D, Block 415, Block 416, Block 417; Block Group 5: Block 501, Block 502, Block 503A, Block 503B, Block 504A, Block 504B, Block 505A, Block 505B, Block 506A, Block 506B, Block 507A, Block 507B, Block 507C, Block 508, Block 509, Block 510A, Block 510B; Lumberton #7 *, Lumberton #8 *, North Pembroke *, South Pembroke *, Philadelphus *, Raft Swamp *, Rennert *, Saddletree *, Shannon *, Smiths *, Thompson *, Union *.

District 86: Chowan County, Dare County; Perquimans County: VTD 0005, Bethel, West Hertford, Parkville, Belvidere, East Hertford, Nicanor; Tyrrell County, Washington County: Lees Mill *, Scuppernong *, Skinnersville *.

District 87: Hoke County: Allendale, Blue Springs, Raeford # 4, Raeford # 3, Raeford # 5; Robeson County: Alfordsville *, Fairmont #1 *, Fairmont #2 *, Gaddys *, Lumberton #2 *: Tract 9610: Block Group 3: Block 301, Block 302, Block 303; Tract 9612: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 121, Block 122, Block 129, Block 131, Block 132, Block 133; Tract 9613: Block Group 4: Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425; Lumberton #3 *: Tract 9612: Block Group 2: Block 203, Block 204, Block 214; Lumberton #5 *, Lumberton #6 *, Maxton *, Red Springs #1 *, Red Springs #2 *, Rowland *, Smyrna *, Whitehouse *; Scotland County: Spring Hill *, Laurinburg #1 *, Laurinburg #2 *, Laurinburg #6 *.

District 88: Forsyth County: Abbotts Creek #1 *, Abbotts Creek #2 *, Abbotts Creek #3 *, Broadbay #2 *, Clemmonsville #2 *, Clemmonsville #3 *, Lewisville #1 *, Lewisville #3 *, Old Richmond *, South Fork #2 *, Vienna #1 *, Vienna #2 *, Vienna #3 *, Country Club Fire St. *, Jefferson Elementary School *, Messiah Moravian Church *, Sherwood Forest Elementary School *.

District 89: Guilford County: GB-01 *: Tract 0127.03: Block Group 3: Block 301A, Block 302, Block 310, Block 315, Block 316, Block 318, Block 319; Block Group 4: Block 401A, Block 404A, Block 404B, Block 406, Block 407, Block 408A, Block 414A; Tract 0127.04: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 113, Block 114; Block Group 2: Block 203, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 217; Block Group 3; GB-10 *, GB-11 *, GB-12 *, GB-13 *, GB-14 *, GB-15 *, GB-16 *, GB-17 *, GB-18 *, GB-22 *, GB-23 *, GB-24A *, GB-25 *, GB-26A *, GB-28 *, GB-31 *, GB-33 *, GB-36 *, GB-38 *, GB-43 *, HP-01 *, HP-02 *; HP-03 *, HP-09 *, HP-10 *: Tract 0140: Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 216, Block 217; Block Group 3: Block 301, Block 302, Block 303, Block 306, Block 308, Block 310, Block 311, Block 313, Block 320, Block 321; HP-17 *, HP-19 *, Friendship-2 *, GB-24B *, GB-26B *, GB-35B *, GB-37B *, GB-24C *, GB-35C *.

District 90: Cabarrus County: Township 2, Box 1 *, Township 2, Box 2 *, Township 4, Box 1, Township 4, Box 2 *, Township 4, Box 3 *, Township 4, Box 4 *, Township 4, Box 5 *, Township 4, Box 6

*, Township 4, Box 7 *, Township 4, Box 8 *, Township 4, Box 9 *, Township 12, Box 1 *, Township 12, Box 2 *, Township 12, Box 4 *, Township 12, Box 5 *, Township 12, Box 6 *, Township 12, Box 7 *, Township 12, Box 8 *, Township 12, Box 9 *.

District 91: Alexander County: Ellendale township; Caldwell County: Hudson #1 *, Hudson #2 *, Kings Creek *, Lenoir #1 *, Lenoir #4 *, Little River *, Lovelady #2 *, Sawmills *, Lower Creek #1 *, Lower Creek #3 *, Lower Creek #4 *, Mulberry *, Patterson *, Yadkin Valley *; Catawba County: St. Stephens #2 *, Viewmont #3 *.

District 92: Durham County: Neal Junior H.S. *, Gorman Ruritan Club *, Oak Grove School *; Wake County: Bartons Creek #1 *, Bartons Creek #2 *, House Creek #4 *, House Creek #6 *, Leesville #1 *, Leesville #2 *, Leesville #3 *, New Light #1 *, New Light #2 *.

District 93: Gaston County: Armstrong *, Flint Groves *, Grier *, Memorial Hall *, Ranlo *, Mt. Holly #1 *, Stanley #1 *, Belmont #1 *, Belmont #2 *, Belmont #3 *, Catawba Heights *, Cramerton *, Lowell *, McAdenville *, Southpoint *; Mecklenburg County: Charlotte Pct. 80 *, BER *, PC2 *.

District 94: Davidson County: Alleghany *, Holly Grove *, Liberty *, Denton *, Emmons *, Silver Valley *, Healing Springs *, Jackson Hill *, Thomasville No. 1 *, Thomasville No. 4 *, Thomasville No. 5 *, Thomasville No. 9 *, Thomasville No. 10 *; Randolph County: West Archdale *, East Trinity *, West Trinity *, Prospect *, Tabernacle *.

District 95: Johnston County: North Banner *, South Banner *, West Banner *, Bentonville *, North Beulah *, South Beulah *, North Boon Hill *, South Boon Hill *, Cleveland *, North Elevation *, South Elevation *, East Ingrams *, West Ingrams *, North Meadow *, South Meadow *, Pine Level *, Pleasant Grove *, East Selma *, East Smithfield *, North Smithfield *, West Smithfield *.

District 96: Bladen County; Cumberland County: Beaver Dam *; New Hanover County: Cape Fear #2 *: Tract 0115: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124,

Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 145, Block 146, Block 147, Block 149; Block Group 2: Block 201, Block 203, Block 204; Tract 0116.02: Block Group 1: Block 101, Block 102, Block 103Y, Block 103Z, Block 104Y, Block 104Z, Block 106, Block 107Z, Block 108, Block 109, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 133; Block Group 2: Block 201, Block 202, Block 204, Block 205, Block 206, Block 207, Block 208, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236; Tract 1160.2; Cape Fear #3 *: Tract 0116.02: Block Group 1: Block 110, Block 117Y, Block 117Z, Block 118, Block 119B, Block 128, Block 129, Block 130, Block 131, Block 132; Block Group 3, Block Group 4: Block 401, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420B, Block 421, Block 422; Block Group 5: Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517; Harnett #2 *, Harnett #7 *: Tract 0116.02: Block Group 1: Block 119A, Block 120, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127; Tract 0117.02: Block Group 1, Block Group 2: Block 202, Block 203, Block 204, Block 205, Block 206, Block 207; Tract 0118: Block Group 1: Block 109, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116; Pender County: Canetuck *, Grady *, Lower Topsail *, Scott's Hill *: Tract 9801: Block Group 5: Block 554; Tract 9802: Block Group 6: Block 605, Block 606, Block 608, Block 609, Block 610, Block 611, Block 612, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622; Sampson County: Clement *, Salemburg *, Autryville *, Roseboro *.

District 97: Duplin County: Faison *: Tract 9902: Block Group 2: Block 260B, Block 261, Block 262, Block 263B, Block 264, Block 265B, Block 266, Block 267, Block 271, Block 272, Block 273, Block 274, Block 275, Block 276; Block Group 3: Block 316, Block 317, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 326, Block 344A, Block 345, Block 346A, Block 347, Block 348; Kenansville *, Magnolia *, Rockfish *, Warsaw *; Sampson County: East Clinton *, Giddensville *: Tract 9701: Block

Group 2: Block 213; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331; Block Group 4: Block 401, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 429, Block 430, Block 431, Block 432, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446, Block 447, Block 448, Block 449, Block 450, Block 451, Block 452, Block 453, Block 454, Block 455, Block 461, Block 462, Block 463, Block 469, Block 470, Block 471, Block 472, Block 473, Block 474, Block 475, Block 476, Block 477, Block 478, Block 479; Block Group 5: Block 501, Block 503, Block 504, Block 505, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 538, Block 539, Block 541, Block 559; Tract 9702: Block Group 1: Block 160, Block 161, Block 162, Block 163, Block 164, Block 165; Turkey *: Tract 9701: Block Group 1: Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110; Block Group 2: Block 201, Block 202, Block 208, Block 209, Block 210, Block 211, Block 212, Block 214, Block 215, Block 216, Block 227, Block 228, Block 229; Wayne County: Brogden *: Tract 0006: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 110, Block 115, Block 116; Block Group 2, Block Group 3, Block Group 4, Block Group 5: Block 502, Block 504, Block 505, Block 506, Block 512, Block 516; Tract 0009: Block Group 4: Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420; Block Group 5: Block 501, Block 502A, Block 503, Block 504, Block 506, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521; Block Group 7: Block 701, Block 702, Block 703, Block 704, Block 705, Block 706, Block 707, Block 708, Block 709, Block 710; Mt. Olive *: Tract 0006: Block Group 1: Block 114, Block 118; Tract 0007: Block Group 1, Block Group 2, Block Group 3: Block 304A, Block 304B, Block 305A, Block 305B, Block 306A, Block 306B, Block 306C, Block 307, Block 312A, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318A, Block 319A, Block 319B, Block 320, Block 321A, Block 321B, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327; Tract 0008: Block Group 1: Block 121; Block Group 2: Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 225, Block 226, Block 227, Block 228; Block

Group 3: Block 317A, Block 317C, Block 317D, Block 322, Block 323, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 343, Block 344, Block 345A, Block 345B, Block 346, Block 347A, Block 347B, Block 348A, Block 348B, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354; Tract 0009: Block Group 7: Block 711, Block 712, Block 713, Block 726B, Block 728, Block 729; Grantham *: Tract 0009: Block Group 6: Block 607B, Block 608; Tract 0010: Block Group 1: Block 127, Block 128, Block 129; Block Group 2: Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247; Goldsboro #1 *, Goldsboro #2 *: Tract 0015: Block Group 1: Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125; Block Group 2: Block 202, Block 205, Block 211, Block 216, Block 217, Block 218, Block 219, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 233, Block 234, Block 235, Block 236; Block Group 3: Block 301, Block 302, Block 305A, Block 305B, Block 309, Block 311, Block 314, Block 315, Block 316, Block 317, Block 320; Goldsboro #3 *: Tract 0012: Block Group 1: Block 106A, Block 106B, Block 106D, Block 106E, Block 114A, Block 114B, Block 114C, Block 115, Block 116A, Block 116B, Block 117, Block 118, Block 124, Block 128, Block 144, Block 146, Block 150; Tract 0018: Block Group 4: Block 405, Block 406, Block 408, Block 409, Block 410, Block 412, Block 417, Block 418; Tract 0019: Block Group 1: Block 106, Block 107, Block 112, Block 113, Block 114, Block 115, Block 117, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 146A, Block 146B, Block 147, Block 149; Block Group 2: Block 201A, Block 201B, Block 202A, Block 202B, Block 203, Block 204, Block 205, Block 206, Block 218; Goldsboro #4 *: Tract 0005, Tract 0006: Block Group 5: Block 503; Tract 0013: Block Group 3: Block 344A; Goldsboro #5 *: Tract 0014: Block Group 5: Block 504, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513; Tract 0015: Block Group 3: Block 303A, Block 303B, Block 319A, Block 319B.

District 98: Brunswick County: Northwest township: Tract 0201.98: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block

128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 157, Block 160, Block 161, Block 162, Block 163, Block 164, Block 165, Block 166, Block 167, Block 168, Block 169, Block 170, Block 171, Block 172, Block 173, Block 174, Block 175, Block 176, Block 177, Block 178, Block 179, Block 180, Block 181, Block 182, Block 183, Block 184, Block 185, Block 186, Block 187, Block 188, Block 189, Block 190A, Block 190B, Block 191A, Block 191B, Block 192, Block 193, Block 194, Block 195, Block 196, Block 197; Block Group 2: Block 201, Block 202, Block 203A, Block 203B, Block 204A, Block 204B, Block 205A, Block 205B, Block 207; Block Group 3, Block Group 4: Block 401, Block 402A, Block 402B; Block Group 8: Block 801, Block 802, Block 803, Block 804, Block 805, Block 806, Block 807, Block 808, Block 809, Block 810, Block 811, Block 812, Block 813, Block 822; Town Creek township: Tract 0201.98: Block Group 5: Block 502; Tract 0202: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106A, Block 107A, Block 107B, Block 107C, Block 108, Block 114A, Block 114B; Columbus County: Bogue township: Tract 9903: Block Group 2: Block 203, Block 205, Block 206, Block 208, Block 209, Block 210, Block 211; Tract 9904: Block Group 3: Block 301, Block 307, Block 308, Block 309, Block 310, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 344, Block 345, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354, Block 355, Block 356A, Block 357, Block 358, Block 359, Block 360, Block 361, Block 362, Block 363, Block 364, Block 365, Block 367, Block 368; Tract 9913: Block Group 1: Block 101A, Block 113A, Block 114, Block 115A, Block 128A, Block 129A, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135A, Block 144A, Block 145A, Block 146, Block 147, Block 148, Block 149, Block 150, Block 153, Block 154, Block 155, Block 156, Block 157, Block 158, Block 159, Block 160, Block 161A, Block 162A, Block 165A, Block 166A, Block 167, Block 168, Block 169A, Block 170; Bolton township, Cerro Gordo township: Tract 9906: Block Group 1: Block 118, Block 119, Block 120, Block 121, Block 122, Block 123A, Block 123B, Block 124, Block 125, Block 126A, Block 126B, Block 127A, Block 127B, Block 129, Block 130A, Block 134, Block 135,

Block 136, Block 137, Block 138A, Block 138B, Block 139A, Block 139B, Block 142; Tract 9907: Block Group 5: Block 506, Block 507, Block 508A, Block 516A, Block 517A, Block 518, Block 519; Chadbourn township: Tract 9905: Block Group 4: Block 415A, Block 416A, Block 417A, Block 424A, Block 425A, Block 426, Block 427, Block 428A, Block 429, Block 430, Block 431, Block 432; Tract 9907: Block Group 1: Block 103A, Block 105A, Block 106A, Block 107A, Block 108A, Block 109, Block 110A, Block 110B, Block 111, Block 112, Block 113, Block 114, Block 115, Block 119, Block 120A, Block 121, Block 122, Block 123; Block Group 2: Block 210A, Block 210B, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 230, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239; Block Group 4: Block 410A, Block 410B, Block 411A, Block 411B, Block 412, Block 413, Block 414, Block 415, Block 416A, Block 416B, Block 417; Block Group 5: Block 501A, Block 502A, Block 503A, Block 508B, Block 508C, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516B, Block 517B, Block 520; Tract 9909: Block Group 6: Block 606A, Block 607A, Block 608, Block 612, Block 615A; Ransom township: Tract 9901: Block Group 1, Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214B, Block 215B, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248B, Block 249B, Block 250B, Block 251B, Block 252, Block 253, Block 254, Block 255, Block 256, Block 257, Block 258, Block 259, Block 260, Block 261A, Block 261B, Block 262, Block 263, Block 264, Block 265, Block 266, Block 267, Block 268, Block 269, Block 270, Block 271, Block 272, Block 273, Block 274, Block 275, Block 276, Block 277, Block 278, Block 279, Block 280B, Block 282B, Block 285, Block 286, Block 287, Block 288, Block 289, Block 290, Block 291, Block 292, Block 293, Block 294, Block 295, Block 296, Block 297; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 314, Block 317B, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 343, Block 344, Block 345, Block 346, Block 366, Block 367, Block 368, Block 369, Block 370, Block 371, Block 372, Block 373, Block 374, Block 375, Block 376, Block

377, Block 378, Block 379, Block 380, Block 393; Tatums township: Tract 9905: Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 248, Block 249; Block Group 3: Block 302, Block 310; Block Group 4: Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415B, Block 416B, Block 417B, Block 418, Block 424B, Block 425B, Block 428B, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439; Tract 9907: Block Group 1: Block 103B, Block 104, Block 105B, Block 106B, Block 107B, Block 108B; Block Group 5: Block 501B, Block 502B, Block 503B; Welch Creek township, Western Prong township, Whiteville township: Tract 9907: Block Group 1: Block 120B; Tract 9908: Block Group 1: Block 118, Block 121; Block Group 2: Block 206A, Block 206B, Block 210; Block Group 3: Block 302, Block 303, Block 307, Block 308, Block 309, Block 310, Block 311A, Block 311B, Block 312, Block 313A, Block 313B, Block 313C, Block 314, Block 315A, Block 315B, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330; Block Group 4: Block 401, Block 402, Block 403, Block 404A, Block 404B, Block 404C, Block 407, Block 408, Block 409A, Block 409B, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417; Tract 9909: Block Group 1: Block 101A, Block 101B, Block 102A, Block 102B, Block 102C, Block 102D, Block 103, Block 107, Block 121A, Block 121B, Block 121C, Block 122; Block Group 3: Block 301A, Block 301B, Block 302, Block 303, Block 304, Block 305, Block 306, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352A, Block 352B, Block 353, Block 354, Block 355, Block 356; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408A, Block 408B, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block

419, Block 420A, Block 420B, Block 421A, Block 421B, Block 422, Block 423B, Block 426, Block 427, Block 428, Block 429, Block 430; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507A, Block 507B, Block 507C, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522, Block 525, Block 526; Block Group 6: Block 601A, Block 601B, Block 602, Block 603, Block 604, Block 605, Block 606B, Block 607B, Block 615B, Block 616, Block 619, Block 620B; Tract 9910: Block Group 1: Block 101A, Block 101B, Block 101D, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108A, Block 108B, Block 108C, Block 108D, Block 109, Block 110A, Block 110B, Block 110C, Block 110D, Block 111, Block 112, Block 113A, Block 113B, Block 113C, Block 114, Block 115A, Block 115B, Block 116A, Block 116B, Block 117, Block 118A, Block 118B, Block 118C, Block 119A, Block 119B, Block 120, Block 121A, Block 121B, Block 122A, Block 122B, Block 123A, Block 123B, Block 123C, Block 124, Block 125A, Block 125B, Block 126A, Block 126B, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132A; New Hanover County: Cape Fear #1 *, Cape Fear #2 *: Tract 0116.02: Block Group 2: Block 203, Block 209, Block 210, Block 211; Cape Fear #3 *: Tract 0116.02: Block Group 1: Block 121A; Block Group 4: Block 402; Block Group 5: Block 501; Block Group 6: Block 601A, Block 602Y, Block 602Z, Block 604, Block 605, Block 606, Block 607, Block 608, Block 609, Block 610; Harnett #4 *: Tract 0119.01: Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306B, Block 307, Block 308, Block 309B, Block 312D; Harnett #6 *: Tract 0103: Block Group 1: Block 101B; Tract 0105.01: Block Group 1: Block 101A, Block 102A; Tract 0116.01: Block Group 6: Block 634; Block Group 7: Block 701, Block 702, Block 703, Block 704, Block 705, Block 706, Block 707, Block 708, Block 709, Block 710, Block 711, Block 712, Block 713, Block 714, Block 715, Block 716, Block 717, Block 718, Block 719, Block 720, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728, Block 729, Block 730A, Block 732, Block 733, Block 734A, Block 734B, Block 734C, Block 735A, Block 737A, Block 737B; Harnett #7 *: Tract 0116.02: Block Group 1: Block 105, Block 117B, Block 119C, Block 121B; Block Group 6: Block 601B, Block 602B, Block 603, Block 611, Block 612, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619; Tract 0117.02: Block Group 2: Block 201; Wilmington #1 *, Wilmington #2 *, Wilmington #3 *, Wilmington #6 *, Wilmington #7 *, Wilmington #8 *: Remainder not in District 14; Wilmington #9 *: Tract 0103: Block Group 2: Block

208, Block 209, Block 210; Tract 0116.02: Block Group 4: Block 420A; Wilmington #10 *, Wilmington #15 *: Tract 0103: Block Group 1: Block 101A, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 510, Block 511; Tract 0105.01: Block Group 1: Block 102B, Block 102C, Block 103, Block 104, Block 105; Block Group 2: Block 201; Tract 0105.02: Block Group 3: Block 301; Tract 0116.01: Block Group 7: Block 730B, Block 730C, Block 731, Block 734D, Block 735B, Block 736, Block 737C, Block 737D, Block 737E, Block 738, Block 739, Block 740; Pender County: North Burgaw *: Tract 9803: Block Group 2: Block 256A; Tract 9804: Block Group 1: Block 107, Block 108, Block 109A, Block 109B, Block 115; Block Group 3: Block 301A, Block 301B, Block 302A, Block 303, Block 352A, Block 352B; Block Group 4: Block 446A; South Burgaw *: Tract 9804: Block Group 1: Block 111, Block 112, Block 113, Block 114; Block Group 2: Block 203B, Block 203C, Block 204B, Block 205C, Block 206C, Block 207, Block 208A, Block 208B, Block 209, Block 210A, Block 210B, Block 211A, Block 211B, Block 212, Block 215, Block 216, Block 217A, Block 217B, Block 218A, Block 218B, Block 219A, Block 219B, Block 220A; Block Group 3: Block 346B, Block 347, Block 348B; Block Group 4: Block 434, Block 435, Block 436, Block 471, Block 472, Block 473, Block 474, Block 475, Block 476, Block 477, Block 478, Block 479, Block 480; Block Group 5: Block 503, Block 504, Block 505, Block 506, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 525, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 535, Block 536, Block 537, Block 538, Block 541A, Block 541B, Block 542A, Block 542B, Block 542C, Block 543, Block 544A, Block 544B, Block 544C, Block 545A, Block 545B, Block 546A, Block 547A, Block 548A, Block 549A, Block 549B, Block 550, Block 551A, Block 551B, Block 552A, Block 552B, Block 553, Block 554A, Block 554B, Block 554C, Block 554D, Block 555, Block 556A, Block 556B; Tract 9806: Block Group 3: Block 301A; Rocky Point *: Tract 9804: Block Group 2: Block 219C, Block 220B, Block 223; Block Group 5: Block 549D, Block 551C, Block 552C; Tract 9806: Block Group 1: Block 101, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block

115, Block 124, Block 125, Block 126, Block 129, Block 130; Scott's Hill *: Tract 9802: Block Group 6: Block 613.

~~(b) The names and boundaries of townships specified in this section are as they were legally defined and in effect as of January 1, 1980, and recognized in the 1980 U.S. Census.~~

~~(c) For Guilford and Cumberland Counties, precinct boundaries are as shown on the maps on file with the State Board of Elections on January 1, 1982, in accordance with G.S. 163-128(b).~~

~~For Mecklenburg, Wake, Durham, and Forsyth Counties, precinct boundaries and streets are as shown on the current maps in use by the appropriate county board of elections of January 31, 1984, in accordance with G.S. 163-128(b).~~

~~If any changes in precinct boundaries are made, the areas on the map shall still remain in the same House District.~~

(b) The names and boundaries of townships, precincts (voting tabulation districts), tracts, block groups, and blocks, specified in this section are as they were legally defined and recognized in the 1990 U.S. Census, except as provided in subsection (c) of this section. Boundaries are as shown on the IVTD Version of the United States Bureau of the Census 1990 TIGER Files, with such modifications as made by the Legislative Services Office and shown on its computer database as of May 1, 1991, to reflect census blocks divided by prior district boundaries, and precincts added or modified as outlined in subsection (c) of this section.

(c) For Guilford County, precinct boundaries for High Point Precincts 20, 23, and 24 are as modified by the Guilford County Board of Elections and shown on the Legislative Services Office computer database as of May 1, 1991.

For Mecklenburg County, precinct boundaries are as altered by the Mecklenburg County Board of Elections as reported to the Legislative Services Office and shown on the Legislative Services Office computer database as of May 1, 1991.

For Wake County:

(1) St. Marys Precinct #7 is as created by the Wake County Board of Elections out of St. Marys Precinct #4;

(2) Raleigh 01-27 Part is an area reported by the Bureau of the Census as part of Raleigh 01-23 but has been put by the Wake County Board of Elections in Raleigh 01-27; and

(3) VTD ZZZZ has been assigned to the appropriate parts of Wake Forest #1 and Wake Forest #2,

all as shown on the Legislative Services Office computer database as of May 1, 1991.

For Anson, Bertie, Camden, Caswell, Franklin, Gates, Greene, Hertford, Hoke, Lee, Lincoln, Martin, Mitchell, Northampton, Pasquotank, Perquimans, Person, Tyrrell, Vance, Warren, and Yadkin Counties, precincts are as shown on maps on file with the Legislative Services Office as of May 1, 1991, except that:

(1) In Anson County, Lanesboro #1 and Lanesboro #2 are listed together as Lanesboro #1 and #2;

(2) In Vance County, where West Henderson II is not contiguous, the northerly part is listed as West Henderson IIA and the southerly part as West Henderson IIB;

(3) In Perquimans County, computer VTD Code 0005 (Tract 9801, Block 550A) is actually part of Belvidere Precinct and is districted with it notwithstanding any description above;

(4) In Greene County, Snow Hill Town Satellite is Tract 9503, Block 301A which is a part of Snow Hill Town Precinct entirely surrounded by Sugg Precinct and is districted with Sugg Precinct notwithstanding any description above;

(5) In Greene County, Snow Hill Town Sat B is Tract 9503, Block 224B which is a part of Snow Hill Town Precinct entirely surrounded by Snow Hill Rural Precinct and is districted with Snow Hill Rural Precinct notwithstanding any description above;

(6) In Mecklenburg County, Precinct XMC2 Noncontiguous is Tract 55.01, Block 303C, and is districted with Precinct MC1 notwithstanding any description above;

(7) In Martin County, any listing of VTDs not defined consists of Tract 9705, Block 413 (which is in Poplar Point Precinct), Tract 9704, Block 202 (which is in Goose Nest Precinct), and Tract 9706, Block 168A (which is in Robersonville #2 Precinct), and those blocks are districted with those respective precincts regardless of any listing above;

(8) In New Hanover County, Tract 123.98, Blocks 307B, 308A, 309, 310A, 311A, and 312A, listed by the Census Bureau as part of VTD ZZZZ, are districted by this section as part of Wilmington #2.

If any precinct or township boundaries are changed, such changes shall not change the boundaries of the House Districts, which shall remain the same.

In the case where any individual blocks are listed above, the district allocation of unlisted water blocks shall be as found on maps and statistical reports of the districts on file with the Secretary of State.

In any districting plan adopted by the General Assembly:

(1) Wake County Tract 0510, Block 301 is shown on the computer database as part of Raleigh 01-23 * when it is in fact correctly shown on the Board of Elections map as part of Raleigh 01-27;

(2) Vance County Tract 9606 Blocks 248 and 227A are shown on the computer database as part of Hilltop, when they are in fact correctly shown on the Board of Elections map as part of North Henderson II and East Henderson I, respectively.;

(3) Lincoln County Tract 0706.98 Block 307 is shown on the computer database as part of North Brook I/II when it is in fact correctly shown on the Board of Elections map as part of North Brook III;

(4) Mecklenburg County Tract 0044 Block 906F is shown on the computer database as part of OAK when it is fact correctly shown on the Board of Elections map as part of Charlotte Pct. 16;

(5) Granville County Tract 9703, Block 330B is districted with Corinth * Precinct notwithstanding any description above.

(c1) If this section shows in a district a precinct or township followed by a comma and then a list of part of that precinct or township, and the remainder of that precinct or township is not listed in another district, this indicates that in fact all of the precinct or township is in the district.

(d) If this section does not specifically assign any area within North Carolina to a district, and the area is:

(1) Entirely surrounded by a single district, the area shall be deemed to have been assigned to that district;

(2) Contiguous to two or more districts, the area shall be deemed to have been assigned to that district which contains the least population according to the 1990 United States Census; or

(3) Contiguous to only one district and to another state or the Atlantic Ocean, the area shall be deemed to have been assigned to that district."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of January, 1992.

S.B. 4 **CHAPTER 6**

AN ACT TO LOWER THE EMPLOYMENT SECURITY COMMISSION RESERVE FUND THRESHOLD, THEREBY

ELIMINATING UNNECESSARY ACCUMULATIONS IN THE RESERVE FUND AND PROVIDING RELIEF TO EMPLOYERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 96-5(f) reads as rewritten:

"(f) Employment Security Commission Reserve Fund. -- There is created in the State treasury a special trust fund, separate and apart from all other public moneys or funds of this State, to be known as the Employment Security Commission Reserve Fund, hereinafter 'Reserve Fund'. ~~Except as provided herein and in G.S. 96-9(b)(3)j, all~~ Part of the proceeds from the tax ~~as defined~~ on contributions imposed in G.S. 96-9(b)(3)j ~~and collected pursuant to G.S. 96-10~~ shall be ~~paid into~~ credited to the Reserve ~~Fund.~~ Fund, as specified in that statute. The moneys in the Reserve Fund may be used by the Commission for loans to the Unemployment Insurance Fund, as security for loans from the federal Unemployment Insurance Trust Fund, and to pay any interest required on advances under Title XII of the Social Security ~~Act as required by G.S. 96-6(f),~~ Act, and shall be continuously available to the Commission for expenditure in accordance with the provisions of this section. The State Treasurer shall be ex officio the treasurer and custodian and shall invest said moneys in accordance with existing law as well as rules and regulations promulgated pursuant thereto. Furthermore, the State Treasurer shall disburse the moneys in accordance with the directions of the Commission and in accordance with such regulations as the Commission may prescribe.

Administrative costs for the collection of the tax and interest payable to the Reserve Fund shall be borne by the Special Employment Security Administration Fund. ~~Refunds of interest and tax allowable under G.S. 96-9(b)(3)j shall be made from the Reserve Fund. No taxes shall be collected or paid into this fund during a calendar year when, as of the computation date (August 1) of the preceding calendar year, the balance of the fund equals to or exceeds one percent (1%) of the taxable wages.~~

The interest earned from investment of the Reserve Fund moneys shall be deposited in a fund hereby established in the State Treasurer's Office, to be known as the 'Worker Training Trust Fund'. These moneys shall be used to:

(1) Fund programs, specifically for the benefit of unemployed workers or workers who have received notice of long-term layoff or permanent unemployment, which will enhance the employability of workers, including, but not limited to, adult basic education, adult high school or equivalency programs,

occupational skills training programs, assessment, job counseling and placement programs;

(2) Continue operation of local Employment Security Commission offices throughout the State; or

(3) Provide refunds to employers.

The use of funds from the Worker Training Trust Fund, for the purposes set out in the above paragraph, shall be pursuant to appropriations in the Current Operations Appropriations Act. ~~Funds deposited in the Worker Training Trust Fund prior to July 1, 1987, shall be used as provided in the Current Operations Appropriations Act for 1987-89.~~ Funds appropriated from the Worker Training Trust Fund that are unexpended and unencumbered at the end of the fiscal year for which they are appropriated shall revert to the State treasury to the credit of the Worker Training Trust Fund in accordance with G.S. 143-18."

Sec. 2. G.S. 96-9(b)(3)j. reads as rewritten:

"j. ~~Effective January 1, 1987, a~~ A tax ~~shall be and~~ is ~~hereby~~ imposed upon ~~the~~ contributions ~~and shall be~~ at the rate of twenty percent (20%) of the amount of contributions due. The tax is due and payable at the time and in the same manner as the contributions. ~~For each quarter during calendar year 1987 and each calendar year thereafter, if~~ The tax does not apply in a calendar year if, as of August 1 of the preceding year, the amount in the Reserve Fund ~~is less than one percent (1%) of the taxable wages as determined on the computation date (August 1) of the preceding calendar year, the standard beginning tax rate and the tax rate assigned to any employer subject to either the experience rating formula table in G.S. 96-9(b)(3)d or the rate schedule for Overdrawn Accounts in G.S. 96-9(b)(3)e shall be twenty percent (20%) of the contributions due and payable.~~ equals or exceeds one hundred sixty-three million three hundred forty-nine thousand dollars ($163,349,000), which is one percent (1%) of taxable wages for calendar year 1984. The collection of this tax, the assessment of interest and ~~penalty~~ penalties on unpaid taxes, the filing of judgment liens, and the enforcement of ~~said~~ the liens for unpaid taxes ~~shall be~~ is governed by the provisions of G.S. 96-10 where applicable. Taxes collected under this subpart shall be credited to the Employment Security Commission Reserve Fund, and refunds of the taxes shall be paid from the same Fund. Any interest ~~and~~ or penalties collected ~~pursuant to this subsection~~ on unpaid

taxes shall be ~~paid into~~ credited to the Special Employment Security Administration Fund, and any interest or penalties refunded ~~under this subsection~~ on taxes imposed by this subpart shall be paid from the same Fund. ~~out of the Special Employment Security Administration Fund. Except as to taxes unpaid on the date on which they are due and payable, this tax shall not be collectible for any calendar year, if, as of the computation date (August 1) of the preceding year, the balance of the Employment Security Commission Reserve Fund equals to or exceeds one percent (1%) of the taxable wages.~~"

Sec. 3. This act is effective for taxes imposed for calendar years beginning on or after January 1, 1992. This act does not affect the date set in G.S. 96-9(c)(3) by which an employer must file an application for review or redetermination of the employer's rate of contributions for the 1992 calendar year.

In the General Assembly read three times and ratified this the 24th day of January, 1992.

H.B. 3 **CHAPTER 7**

AN ACT TO DIVIDE NORTH CAROLINA INTO TWELVE CONGRESSIONAL DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 163-201 reads as rewritten:

"§ *163-201. Congressional districts specified.*

(a) For the purpose of nominating and electing members of the House of Representatives of the Congress of the United States in ~~1982~~ 1992 and every two years thereafter, the State of North Carolina shall be divided into ~~11~~ 12 districts as follows:

~~FIRST DISTRICT: Beaufort, Bertie, Camden, Carteret, Chowan, Craven, Currituck, Dare, Gates, Greene, Hertford, Hyde, Lenoir, Martin, Northhampton, Pamlico, Pasquotank, Perquimans, Pitt, Tyrrell, and Washington Counties.~~

~~SECOND DISTRICT: Caswell, Durham, Edgecombe, Granville, Halifax, Nash, Person, Vance, Warren, and Wilson Counties; and the O'Neals Township in Johnston County.~~

~~THIRD DISTRICT: Bladen, Duplin, Harnett, Jones, Lee, Onslow, Pender, Sampson, and Wayne Counties; the following townships of Johnston County: Banner, Bentonsville, Beulah, Boon Hill, Clayton, Cleveland, Elevation, Ingrams, Meadow, Micro, Pine Level, Pleasant Grove, Selma, Smithfield, Wilders, and Wilson Mills; and the~~

~~following townships of Moore County: 1 (Carthage), 4 (Ritters), 5 (Deep River), 6 (Greenwood), and 10 (Little River).~~

~~FOURTH DISTRICT: Chatham, Franklin, Orange, Randolph, and Wake Counties.~~

~~FIFTH DISTRICT: Alexander, Alleghany, Ashe, Forsyth, Rockingham, Stokes, Surry, and Wilkes Counties.~~

~~SIXTH DISTRICT: Alamance, Davidson, and Guilford Counties.~~

~~SEVENTH DISTRICT: Brunswick, Columbus, Cumberland, New Hanover, and Robeson Counties.~~

~~EIGHTH DISTRICT: Anson, Cabarrus, Davie, Hoke, Montgomery, Richmond, Rowan, Scotland, Stanly, and Union Counties; and the following townships of Moore County: 2 (Bensalem), 3 (Sheffields), 7 (McNeills), 8 (Sand Hill), and 9 (Mineral Springs); and the following townships of Yadkin County: Boonville, East Bend, Fall Creek, Forbush, Knobs, and Liberty.~~

~~NINTH DISTRICT: Iredell, Lincoln, and Mecklenburg Counties; and the following townships of Yadkin County: Buck Shoal and Deep Creek.~~

~~TENTH DISTRICT: Burke, Caldwell, Catawba, Cleveland, Gaston, and Watauga Counties; and the following townships of Avery County: Banner Elk, Beech Mountain, Cranberry, Linville, and Wilsons Creek.~~

~~ELEVENTH DISTRICT: Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, McDowell, Macon, Madison, Mitchell, Polk, Rutherford, Swain, Transylvania, and Yancey Counties; and the following townships of Avery County: Altamont, Roaring Creek, and Toe River.~~

District 1: Beaufort County: Chocowinity township, Richland township, Washington township: Tract 9903, Tract 9904; Bertie County, Bladen County: Abbotts township: Tract 9504: Block Group 5: Block 546A; Tract 9506: Block Group 5: Block 508A; Block Group 7: Block 701, Block 702A, Block 703A, Block 703B, Block 705, Block 706, Block 707, Block 708, Block 709, Block 710, Block 711, Block 712, Block 713, Block 714, Block 715, Block 716, Block 717, Block 718, Block 719A, Block 720A, Block 720B, Block 721, Block 722, Block 723A, Block 724A, Block 725, Block 726, Block 727, Block 728A, Block 729, Block 730, Block 731, Block 732, Block 733, Block 734, Block 735, Block 736, Block 737, Block 738, Block 739, Block 740, Block 741, Block 742, Block 743, Block 744, Block 745, Block 746, Block 747A, Block 748, Block 749, Block 750, Block 751A, Block 752A, Block 753A, Block 754A, Block 759A, Block 760, Block 783, Block 784, Block 785, Block 786A; Brown Marsh township, Carvers Creek township, Central township,

Elizabethtown township, Frenchs Creek township, Lake Creek township, Turnbull township, White Oak township, Whites Creek township; Chowan County, Columbus County: Bolton township, Chadbourn township: Tract 9905: Block Group 4: Block 415A, Block 416A, Block 417A, Block 424A, Block 425A, Block 426, Block 427, Block 428A, Block 429, Block 430, Block 431, Block 432; Tract 9907: Block Group 1: Block 103A, Block 105A, Block 106A, Block 107A, Block 108A, Block 109, Block 110A, Block 110B, Block 111, Block 112, Block 113, Block 114, Block 115, Block 119, Block 120A, Block 121, Block 122, Block 123; Block Group 2: Block 210A, Block 210B, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 230, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239; Block Group 4: Block 410A, Block 410B, Block 411A, Block 411B, Block 412, Block 413, Block 414, Block 415, Block 416A, Block 416B, Block 417; Block Group 5: Block 501A, Block 502A, Block 503A, Block 508B, Block 508C, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516B, Block 517B, Block 520; Tract 9909: Block Group 6: Block 606A, Block 607A, Block 608, Block 612, Block 613, Block 614, Block 615A; Ransom township, Welch Creek township, Western Prong township, Whiteville township: Tract 9907: Block Group 1: Block 120B; Tract 9908: Block Group 1: Block 118, Block 121; Block Group 2: Block 206A, Block 206B, Block 210; Block Group 3: Block 302, Block 303, Block 307, Block 308, Block 309, Block 310, Block 311A, Block 311B, Block 312, Block 313A, Block 313B, Block 313C, Block 314, Block 315A, Block 315B, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330; Block Group 4: Block 401, Block 402, Block 403, Block 404A, Block 404B, Block 404C, Block 407, Block 408, Block 409A, Block 409B, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417; Tract 9909: Block Group 1: Block 101A, Block 101B, Block 102A, Block 102B, Block 102C, Block 102D, Block 103, Block 107, Block 121A, Block 121B, Block 121C, Block 122; Block Group 3: Block 301A, Block 301B, Block 302, Block 303, Block 304, Block 305, Block 306, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352A, Block 352B, Block 353,

Block 354, Block 355, Block 356; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408A, Block 408B, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420A, Block 420B, Block 421A, Block 421B, Block 422, Block 423B, Block 427, Block 428, Block 429; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507A, Block 507B, Block 507C, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522, Block 525, Block 526; Block Group 6: Block 601A, Block 601B, Block 602, Block 603, Block 604, Block 605, Block 606B, Block 607B, Block 615B, Block 616, Block 619, Block 620B; Tract 9910: Block Group 1: Block 101A, Block 101B, Block 101D, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108A, Block 108B, Block 108C, Block 108D, Block 109, Block 110A, Block 110B, Block 110C, Block 110D, Block 111, Block 112, Block 113A, Block 113B, Block 113C, Block 114, Block 115A, Block 115B, Block 116A, Block 116B, Block 117, Block 118A, Block 118B, Block 118C, Block 119A, Block 119B, Block 120, Block 121A, Block 121B, Block 122A, Block 122B, Block 123A, Block 123B, Block 123C, Block 124, Block 125A, Block 125B, Block 126A, Block 126B, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132A; Craven County: Cove City *, Dover *, Fort Barnwell *, Harlowe *, Croatan *: Tract 9610: Block Group 7: Block 711, Block 712, Block 714, Block 715, Block 716, Block 717, Block 718, Block 719, Block 720, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728, Block 729, Block 730, Block 731, Block 732, Block 733, Block 734, Block 735, Block 736, Block 737, Block 738, Block 739, Block 740, Block 741, Block 742, Block 743, Block 744, Block 745, Block 746, Block 747, Block 748, Block 749, Block 750, Block 751, Block 752, Block 753, Block 754, Block 755; Tract 9611: Block Group 1: Block 116; Block Group 2: Block 202, Block 203, Block 204, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 223, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248, Block 289, Block 290; Havelock *: Tract 9611: Block Group 2: Block 249, Block 250, Block 283, Block 284, Block 285, Block 286, Block 287, Block 288, Block 291, Block 292, Block 293, Block 294, Block 295, Block 296, Block 297; Tract 9613: Block Group 2: Block 219A, Block 219B, Block 222, Block 223; Block Group 3: Block 323B, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329; Block Group 5: Block 503G, Block

525B; First Ward *, Second Ward *, Third Ward *, Fourth Ward *, Fifth Ward *, Clarks *, Rhems *: Tract 9604: Block Group 5: Block 516, Block 517, Block 518, Block 521D, Block 530B, Block 531C, Block 533, Block 534, Block 535, Block 536, Block 537, Block 538, Block 539, Block 540, Block 541, Block 542, Block 543, Block 544, Block 545, Block 546, Block 547A, Block 547B, Block 548, Block 549, Block 550, Block 556, Block 558, Block 559, Block 560, Block 561, Block 562B, Block 563, Block 564, Block 565, Block 566, Block 567, Block 568, Block 569, Block 570, Block 571, Block 572; Block Group 7: Block 701, Block 702, Block 711B, Block 712B, Block 738B, Block 739, Block 740, Block 741, Block 742, Block 743; Jasper *; Cumberland County: Beaver Dam *: Tract 0029: Block Group 1: Block 116; Block Group 2: Block 222A, Block 224A, Block 225A, Block 226A, Block 227A, Block 228A, Block 229, Block 230, Block 231, Block 232, Block 233A, Block 234A, Block 235, Block 236, Block 237, Block 238A, Block 239A, Block 250A, Block 251A, Block 252A, Block 253, Block 254, Block 255, Block 256, Block 257, Block 258, Block 259, Block 260, Block 261, Block 262, Block 263, Block 264, Block 265, Block 266; Block Group 3: Block 311, Block 336; Cedar Creek *, Cross Creek #1 *, Cross Creek #3 *, Cross Creek #5 *, Cross Creek #9 *: Tract 0012: Block Group 2: Block 203; Tract 0024: Block Group 9: Block 901A, Block 902, Block 903, Block 904, Block 905, Block 908, Block 909, Block 910, Block 911, Block 912, Block 913, Block 914; Tract 0025.01: Block Group 9: Block 911, Block 931, Block 933; Cross Creek #10 *, Cross Creek #13 *, Cross Creek #15 *: Tract 0004: Block Group 2: Block 231, Block 232; Tract 0006: Block Group 1: Block 133; Block Group 3: Block 301, Block 302, Block 304, Block 307, Block 308; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 413, Block 414, Block 415; Cross Creek #16 *, Cross Creek #17 *: Tract 0010: Block Group 1, Block Group 3: Block 313, Block 314, Block 315, Block 316; Block Group 9; Tract 0011: Block Group 1: Block 102, Block 103, Block 104, Block 108, Block 109, Block 112, Block 113, Block 115, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 308, Block 309A, Block 309B, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316; Tract 0024: Block Group 1: Block 101B, Block 101C, Block 104, Block 105A, Block 105B, Block 106B, Block 107A, Block 107B, Block 108, Block 109, Block 110, Block 111, Block 115, Block 116, Block 117, Block 118, Block 138; Block Group 2: Block 201A, Block 201B, Block 202, Block 203, Block 204, Block 205, Block 206; Block Group 4: Block 406A; Block

Group 5; Cross Creek #19 *, Sherwood *, Pearces Mill #3 *; Duplin County: Glisson *; Tract 9901: Block Group 2: Block 201, Block 202, Block 208, Block 209, Block 210, Block 211, Block 225, Block 227, Block 234, Block 235, Block 237, Block 257A, Block 257B; Charity *, Kenansville *, Magnolia *, Rockfish *, Warsaw *; Edgecombe County: Precinct 1-1 *, Precinct 1-2 *; Tract 0209: Block Group 2: Block 201, Block 202, Block 203, Block 204A, Block 204B, Block 205, Block 206, Block 207A, Block 207B, Block 208A, Block 208B, Block 211, Block 212, Block 213, Block 214, Block 215, Block 219, Block 224, Block 228, Block 229; Precinct 3-1 *, Precinct 4-1 *, Precinct 5-1 *, Precinct 6-1 *, Precinct 7-1 *, Precinct 12-1 *, Precinct 12-2 *, Precinct 12-3 *; Tract 0202: Block Group 5: Block 513B; Block Group 6: Block 614, Block 625; Tract 0204: Block Group 7: Block 702, Block 703B, Block 704B, Block 705, Block 706, Block 707, Block 708C, Block 709B, Block 710, Block 712, Block 713, Block 714, Block 721B, Block 722B; Precinct 12-4 *, Precinct 12-5 *; Gates County, Greene County, Halifax County: Hollister *: Tract 9906: Block Group 3: Block 301A, Block 302A, Block 303B, Block 325A, Block 325B, Block 326A, Block 326B; Tract 9908: Block Group 1: Block 113A, Block 113B, Block 127, Block 128, Block 134A, Block 134B, Block 135A, Block 138A, Block 138B, Block 139; Block Group 3: Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330; Block Group 4: Block 401, Block 402, Block 403, Block 417, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446, Block 447, Block 448, Block 449, Block 450, Block 451; Ringwood *, Butterwood *, Tract 9907: Block Group 4: Block 411A, Block 412, Block 446A, Block 448, Block 449; Conoconnara *, Enfield #1 *, Enfield #2 *, Enfield #3 *, Faucett *: Tract 9905: Block Group 7: Block 707A, Block 715, Block 716; Tract 9906: Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 226, Block 227, Block 228, Block 236, Block 237, Block 240, Block 241, Block 247, Block 248; Block Group 3: Block 310, Block 314, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325C, Block 326C, Block 326D, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333; Tract 9908: Block Group 2: Block 201C; Tract 9909: Block Group 1: Block 101B, Block 101C, Block 102C, Block 102D, Block 103B, Block 103C,

Block 104A, Block 104B; Tract 9910: Block Group 1: Block 110, Block 111, Block 112, Block 113, Block 114; Halifax *, Littleton #1 *; Tract 9907: Block Group 2: Block 240, Block 241, Block 242, Block 256, Block 257, Block 258, Block 259, Block 260, Block 261, Block 262, Block 263, Block 264, Block 265, Block 266, Block 269, Block 270, Block 271; Block Group 3: Block 308, Block 309, Block 310, Block 311, Block 312, Block 313A, Block 313B, Block 314, Block 315, Block 316A, Block 316B, Block 318, Block 320, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 344, Block 345, Block 346, Block 347, Block 348A, Block 348B, Block 349, Block 350, Block 351; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 407, Block 411B, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425A, Block 425B, Block 426A, Block 426B, Block 427, Block 428, Block 429A, Block 429B, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446B, Block 447; Tract 9908: Block Group 1: Block 108; Hobgood *, Palmyra *, Roanoke Rapids #7 *, Roanoke Rapids #9 *; Tract 9905: Block Group 5: Block 509, Block 510, Block 511A, Block 511B, Block 512A, Block 512B, Block 513, Block 514, Block 515, Block 516, Block 517A, Block 519, Block 520A, Block 520B, Block 521A, Block 521B; Block Group 6: Block 601A, Block 601B, Block 602A, Block 602B, Block 602C, Block 603, Block 604A, Block 604B, Block 605, Block 606, Block 607A, Block 607B, Block 608, Block 609, Block 610A, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622; Roseneath *, Scotland Neck #1 *, Scotland Neck #2 *, Weldon #1 *, Weldon #2 *, Weldon #3 *; Hertford County, Jones County: Pollocksville *, Trenton *; Lenoir County: Contentnea *, Kinston #1 *, Kinston #2 *, Kinston #6 *, Kinston #7 *, Kinston #8 *, Moseley Hall *, Trent #2 *; Tract 0112: Block Group 4: Block 406, Block 407, Block 410, Block 411, Block 412, Block 422, Block 423, Block 424, Block 425, Block 445, Block 449, Block 450; Vance *; Martin County: Goose Nest, Hassell, Hamilton, Poplar Point, Robersonville # 1, Robersonville # 2, Williamston # 1, Williamston # 2, VTD's not defined; Nash County: Griffins *; Tract 0108: Block Group 1: Block 166A, Block 167; Tract 0109: Block Group 1: Block 101, Block 102, Block 103, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138,

Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153A, Block 153B, Block 156B, Block 156C, Block 157; Block Group 2: Block 206E, Block 206F, Block 207D; Block Group 3: Block 301, Block 302, Block 303A, Block 304; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438A, Block 438B, Block 439, Block 440A, Block 441, Block 445, Block 446, Block 447, Block 448, Block 449, Block 450, Block 451, Block 453, Block 454; No. Whitakers #1 *, No. Whitakers #2 *, Rocky Mount #3 *, Rocky Mount #4 *, Battleboro *; New Hanover County: Cape Fear #1 *: Tract 0115: Block Group 1: Block 141, Block 142, Block 143; Block Group 2: Block 209; Block Group 4: Block 401; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522, Block 523, Block 524, Block 525, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 535, Block 536, Block 537, Block 538, Block 539, Block 540, Block 541, Block 542, Block 543, Block 544, Block 545, Block 546, Block 547, Block 548, Block 549, Block 550, Block 551, Block 552, Block 553, Block 554, Block 555, Block 556, Block 557, Block 558, Block 559; Wilmington #1 *, Wilmington #2 *, Wilmington #3 *, Wilmington #6 *, Wilmington #7 *, Wilmington #8 *: Tract 0110: Block Group 1: Block 102, Block 124, Block 129; Block Group 2: Block 201, Block 207, Block 208, Block 209, Block 210, Block 211, Block 213, Block 223; Block Group 3: Block 312, Block 313, Block 314, Block 318, Block 319, Block 322, Block 323; Wilmington #9 *: Tract 0103: Block Group 2: Block 208, Block 209, Block 210; Tract 0116.02: Block Group 4: Block 420A; Wilmington #10 *, Wilmington #15 *, Northampton County, Pasquotank County: Newland, Nixonton, Elizabeth City 1-A, Elizabeth City 3-A, Elizabeth City 3-B, Elizabeth City 4-A, Elizabeth City 4-B; Pender County: Canetuck *, Caswell *, Columbia *, Grady *: Tract 9805: Block Group 1: Block 182B, Block 183B, Block 184B, Block 185, Block 186, Block 187, Block 188; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 408, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 419, Block 425, Block 426, Block 427, Block 428,

Block 457, Block 468, Block 469, Block 470, Block 472, Block 484, Block 486, Block 487, Block 488, Block 489, Block 490, Block 491, Block 492, Block 495; Upper Holly *, Upper Union *; Perquimans County, Pitt County: Arthur *, Ayden East *, Belvoir *, Bethel *, Carolina *, Falkland *, Farmville West *, Farmville East *, Fountain *, Grifton *, Grimesland *, Pactolus *, Greenville #1 *, Greenville #2, Greenville #3 *, Greenville #4 *, Greenville #5 *, Greenville #6 *, Greenville #13 *, Greenville #2 Noncontiguous; Vance County: Middleburg, Townsville, Williamsboro, East Henderson I, East Henderson II, North Henderson I, North Henderson II, South Henderson I; Warren County, Washington County, Wayne County: White Hall *: Tract 0006: Block Group 6: Block 650, Block 651, Block 659, Block 660, Block 661; Block Group 7: Block 743, Block 744, Block 746, Block 747; Wilson County: Gardners *, Saratoga *, Stantonsburg *: Tract 0010: Block Group 1: Block 101A, Block 101B, Block 112, Block 116A, Block 117A, Block 117B, Block 117C, Block 118A, Block 118B, Block 119, Block 120A, Block 120B, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139A, Block 139B, Block 140, Block 141A, Block 141B, Block 142, Block 143, Block 144A, Block 144B, Block 145, Block 146A, Block 146B, Block 147A, Block 147B, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 158, Block 159, Block 160, Block 161, Block 162, Block 163, Block 164; Tract 0011: Block Group 2: Block 230B; Toisnot *: Tract 0013: Block Group 1: Block 101A, Block 101B, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 124, Block 125, Block 134, Block 135, Block 136, Block 137, Block 138, Block 143, Block 144, Block 145, Block 146; Block Group 2: Block 201, Block 202, Block 203, Block 205, Block 213, Block 214; Block Group 3: Block 301, Block 302A, Block 302B, Block 302C, Block 303A, Block 303B, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311A, Block 311B, Block 311C, Block 312A, Block 312B, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325A, Block 326, Block 327, Block 329, Block 336, Block 337, Block 338, Block 339; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407A, Block 408, Block 409, Block 410, Block 411, Block 412A; Block Group 5: Block 508, Block 509, Block 512, Block 513, Block 514, Block 521, Block 522, Block 523A, Block 523B, Block 524A, Block 524B, Block

525A, Block 526, Block 527, Block 528, Block 529A, Block 529B, Block 529C, Block 530A, Block 530B, Block 531A, Block 532, Block 533, Block 534, Block 535, Block 536, Block 537, Block 538, Block 539, Block 540, Block 541A, Block 541B, Block 542, Block 543, Block 544, Block 545, Block 546, Block 547, Block 548; Wilson A *, Wilson B *, Wilson C *, Wilson E *: Tract 0001: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 114, Block 115, Block 116, Block 117, Block 122, Block 123; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 213, Block 214, Block 215, Block 217, Block 218, Block 219; Tract 0006: Block Group 2: Block 206, Block 210, Block 213, Block 214, Block 216, Block 217; Block Group 5: Block 518B; Tract 0013: Block Group 4: Block 416; Wilson F *, Wilson G *, Wilson H *, Wilson I *: Tract 0003: Block Group 1: Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 127, Block 128, Block 129; Block Group 2: Block 207, Block 208, Block 213, Block 214, Block 223; Wilson N *, Wilson Q *.

District 2: Durham County: Neal Junior H.S. *, Brogden Junior H.S. *, Club Blvd. School *, Edison Johnson Community Center *, E.K. Powe School *, Fire Station #6 *, Hillandale School *, Holy Infant Catholic Church *, Hope Valley School *, Multi-Purpose Building/Duke *, NC School of Science & Math *, Rogers-Herr Junior H.S. *, St. Stephens/Parish Hall *: Tract 0020.07: Block Group 4: Block 406, Block 410; Tract 0020.08: Block Group 1, Block Group 2, Block Group 3: Block 301A, Block 301B, Block 302A, Block 302B, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315; Block Group 4; Cole Mill Church of Christ *, Eno Valley School *, Bethesda Ruritan Club *, Oak Grove School *, Durham Academy Gym *, Five Oaks Seventh Day Adventist Church *, Jordan H.S. *, Nelson Community Center *, Parkwood School *; Edgecombe County: Precinct 1-2 *: Tract 0209: Block Group 2: Block 209, Block 210, Block 216A, Block 216B, Block 217A, Block 217B, Block 217C, Block 217D, Block 218, Block 225, Block 226, Block 227; Tract 0210: Block Group 5: Block 506, Block 507, Block 516, Block 517, Block 518, Block 530, Block 531, Block 532; Block Group 9; Tract 0212: Block Group 2, Block Group 5; Tract 0213: Block Group 2: Block 248A, Block 248B, Block 250; Block Group 3: Block 301A, Block 301B, Block 302, Block 303, Block 304A, Block 304B, Block 305, Block 306A, Block 306B, Block 307, Block 308, Block 318A; Precinct 1-3 *, Precinct 1-4 *, Precinct 2-1 *, Tract 0209: Block Group 2: Block 220, Block

221, Block 222, Block 223; Precinct 8-1 *, Tract 0213: Block Group 3: Block 301C, Block 306C, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318B, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326; Precinct 9-1 *, Precinct 10-1 *, Precinct 11-1 *, Tract 0213: Block Group 1: Block 102, Block 122, Block 123, Block 124; Precinct 12-3 *: Tract 0202: Block Group 1: Block 151B, Block 151C, Block 153; Block Group 4: Block 411B, Block 416B, Block 417B, Block 424C, Block 424D, Block 425; Block Group 5: Block 506B, Block 513C, Block 516, Block 520C; Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606, Block 607, Block 608, Block 609, Block 610, Block 611, Block 612, Block 613, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622, Block 623, Block 624, Block 626, Block 627, Block 628, Block 632, Block 633; Tract 0203: Block Group 5: Block 501B; Block Group 6: Block 618, Block 619; Block Group 7: Block 701, Block 702, Block 703, Block 704, Block 705, Block 706B, Block 707B, Block 708B, Block 709B, Block 710, Block 711, Block 712, Block 713, Block 714, Block 715C, Block 716B, Block 717B, Block 718B, Block 729B, Block 730B, Block 735B; Tract 0204: Block Group 7: Block 701, Block 711; Tract 0213: Block Group 1: Block 101, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135; Block Group 2: Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217B, Block 218B; Tract 0214: Block Group 1: Block 101, Block 104, Block 105; Precinct 13-1 *, Precinct 14-1 *; Franklin County, Granville County: Brassfield *, Butner *, Creedmoor *, Antioch *, Corinth *, Credle *, East Oxford *, South Oxford *, Salem *, Tally Ho *; Halifax County: Hollister *: Tract 9906: Block Group 3: Block 301B, Block 302B, Block 302C, Block 303A, Block 303C; Tract 9908: Block Group 1: Block 117A, Block 117B, Block 124A, Block 124B, Block 124C, Block 125A, Block 126, Block 129, Block 130, Block 131A, Block 131B, Block 131C, Block 132, Block 133, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146; Block Group 2: Block 205, Block 206; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 331, Block 332; Block Group 4: Block 404, Block 405, Block 406, Block 407, Block 408, Block 409,

Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 418, Block 419, Block 420, Block 421; Faucett *: Tract 9906: Block Group 2: Block 220, Block 221C, Block 223B, Block 225B, Block 229, Block 230, Block 231B, Block 232, Block 233, Block 234, Block 235, Block 242, Block 243, Block 244, Block 245, Block 246, Block 249, Block 250, Block 251, Block 252, Block 253, Block 254, Block 255, Block 256, Block 257, Block 258, Block 259, Block 260, Block 261, Block 262, Block 263, Block 264; Block Group 3: Block 301C, Block 301D, Block 302D, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 311, Block 312, Block 313, Block 315, Block 316; Tract 9907: Block Group 4: Block 408A; Littleton #1 *: Tract 9907: Block Group 4: Block 405, Block 406, Block 408B, Block 409, Block 410, Block 413; Littleton #2 *, Roanoke Rapids #1 *, Roanoke Rapids #2 *, Roanoke Rapids #3 *, Roanoke Rapids #4 *, Roanoke Rapids #5 *, Roanoke Rapids #6 *, Roanoke Rapids #8 *, Roanoke Rapids #9 *: Tract 9905: Block Group 2: Block 216, Block 218, Block 219; Block Group 5: Block 517B, Block 518; Block Group 6: Block 610B, Block 611, Block 612; Block Group 7: Block 701, Block 702, Block 703, Block 704, Block 705, Block 706, Block 707B, Block 708, Block 709, Block 710, Block 711, Block 712, Block 713, Block 714, Block 717, Block 718; Roanoke Rapids #10 *, Roanoke Rapids #11 *; Harnett County, Johnston County, Lee County, Moore County: Township 4, Ritters: Tract 9501: Block Group 2: Block 202A, Block 203A, Block 210, Block 211A, Block 212, Block 213, Block 214, Block 215, Block 231, Block 242; Township 5, Deep River, Tract 9501: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109C, Block 110B, Block 142B, Block 142C, Block 142D, Block 142E, Block 142F, Block 145G, Block 146B, Block 156, Block 157, Block 158, Block 159, Block 160, Block 161, Block 162, Block 163, Block 164, Block 165, Block 166, Block 167, Block 168, Block 169, Block 170, Block 171, Block 172, Block 173, Block 179B, Block 179C; Township 6, Greenwood, Township 7, McNeill, Township 8, Sand Hill, Township 9, Mineral Springs, Township 10, Little River; Nash County: Bailey *, Castalia *, Coopers *, Drywells *, Ferrells *, Griffins *: Tract 0109: Block Group 1: Block 104, Block 105, Block 106, Block 107, Block 108, Block 109; Block Group 4: Block 452; Jacksons *, Mannings #1 *, Mannings #2 *, Nashville *, Oak Level, Oak Level Noncontiguous, Red Oak *, Rocky Mount #1 *, Rocky Mount #2 *, Rocky Mount #5 *, Rocky Mount #6 *, Rocky Mount #7 *, Stony Creek #1, Stony Creek Noncontiguous A, Stony Creek Noncontiguous B; Vance County: Dabney, Hilltop, Kittrell, Sandy Creek, Watkins, South Henderson II, West Henderson I, West Henderson IIA, West

Henderson IIB; Wake County: New Light #1 *; Wilson County: Black Creek *, Cross Roads *, Old Fields *, Spring Hill *, Stantonsburg *: Tract 0008.02: Block Group 2: Block 238, Block 239, Block 240, Block 245, Block 246, Block 247, Block 248, Block 249, Block 250; Block Group 3: Block 319A, Block 320, Block 321A, Block 322, Block 323; Tract 0009: Block Group 3: Block 301B; Tract 0010: Block Group 1: Block 101C, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 113, Block 114, Block 115, Block 116B; Taylors *, Toisnot *: Tract 0012: Block Group 1: Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 114, Block 118, Block 119, Block 120, Block 121; Tract 0013: Block Group 1: Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 139, Block 140, Block 141, Block 142; Block Group 2: Block 204, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 251; Block Group 3: Block 325B, Block 328; Block Group 4: Block 407B, Block 412B, Block 413, Block 414; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 510, Block 511, Block 515, Block 516A, Block 516B, Block 517, Block 518, Block 519, Block 520, Block 525B, Block 531B, Block 549; Wilson D *, Wilson E *: Tract 0006: Block Group 2: Block 201, Block 202, Block 205, Block 207, Block 208, Block 209, Block 211, Block 212, Block 215; Block Group 3, Block Group 5: Block 517, Block 518A; Tract 0013: Block Group 4: Block 415, Block 417, Block 418; Wilson I *: Tract 0003: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 126; Block Group 2: Block 209, Block 210, Block 211, Block 212; Tract 0004: Block Group 5: Block 520B, Block 520X, Block 520Y, Block 520Z, Block 521, Block 522, Block 523, Block 524A, Block 524B, Block 525, Block 526, Block 527A, Block 527B, Block 528A, Block 528B, Block 529A, Block 529B, Block 529C, Block 531A, Block 531B, Block 532A, Block 532B, Block 535; Tract 0008.02: Block Group 2: Block 207, Block 208, Block 209, Block 210, Block 211A, Block 211B, Block 211C, Block 212, Block 213,

Block 214, Block 234A, Block 234B, Block 235, Block 251A, Block 251B, Block 252, Block 253A, Block 253B, Block 254, Block 255, Block 256, Block 257; Tract 0009: Block Group 1: Block 108, Block 109; Wilson J *, Wilson K *, Wilson L *, Wilson M *, Wilson P *.

District 3: Beaufort County: Bath township, Long Acre township, Pantego township, Washington township: Tract 9902: Block Group 1: Block 129B, Block 130B, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 157B, Block 158B, Block 159B, Block 160B, Block 175B, Block 176B, Block 185B, Block 186B, Block 187B, Block 189, Block 190, Block 191, Block 197; Block Group 2; Tract 9905: Block Group 5: Block 522A, Block 528A; Camden County, Carteret County; Craven County: Ernul *, Epworth *, Vanceboro *, Bridgeton *, Truitt *, Croatan *: Tract 9611: Block Group 1: Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 117, Block 118A, Block 118B, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127; Block Group 2: Block 201, Block 205, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 224, Block 225; Havelock *: Tract 9611: Block Group 1: Block 128A, Block 128B, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134; Block Group 2: Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 251, Block 252, Block 253, Block 254A, Block 254B, Block 255A, Block 255B, Block 256, Block 257, Block 258, Block 259A, Block 259B, Block 260, Block 261, Block 262A, Block 262B, Block 262C, Block 263, Block 264, Block 265, Block 266, Block 267, Block 268, Block 269, Block 270, Block 271, Block 272, Block 273, Block 274, Block 275, Block 276, Block 277, Block 278, Block 279, Block 280A, Block 280B, Block 280C, Block 281, Block 282; Block Group 3; Tract 9612, Tract 9613: Block Group 1, Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210A, Block 210B, Block 210C, Block 211A, Block 211B, Block 211C, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217A, Block 217B, Block 217C, Block 218A, Block 218B, Block 218C, Block 220, Block 221, Block 224, Block 225: Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306A, Block 306B, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block

316A, Block 316B, Block 317A, Block 317B, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323A, Block 323C; Block Group 4, Block Group 5: Block 503A, Block 503B, Block 503C, Block 503D, Block 503E, Block 505A, Block 505B, Block 506A, Block 506B, Block 507A, Block 507B, Block 508A, Block 508B, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522, Block 523, Block 524, Block 525A, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 535, Block 536, Block 537, Block 540B; Block Group 6: Block 642, Block 643, Block 644A, Block 644B, Block 645; Grantham *, Sixth Ward *, Country Club *, Rhems *: Tract 9604: Block Group 7: Block 704; River Bend *, Tract 9604: Block Group 5: Block 562A; Block Group 7: Block 703, Block 705, Block 706, Block 707, Block 708, Block 709, Block 710, Block 711A, Block 712A, Block 713, Block 714, Block 715, Block 716, Block 717, Block 718, Block 719, Block 720, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728, Block 729, Block 730, Block 731, Block 732, Block 733, Block 734, Block 735, Block 736, Block 737, Block 738A; Trent Woods *, Woodrow *; Currituck County; Dare County; Duplin County: Albertson *, Chinquapin *, Cypress Creek *, Calypso *, Faison *, Glisson *: Tract 9901: Block Group 2: Block 203, Block 204, Block 205, Block 206, Block 207, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 226, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248, Block 249, Block 250, Block 251, Block 252, Block 253, Block 254, Block 255, Block 256; Wallace *, Beulaville *, Cedar Fork *, Rose Hill *, Smith/Cabin *, Wolfscrape *, Hyde County; Jones County: Beaver Creek *, Chinquapin *, Cypress Creek *, Tuckahoe *, White Oak *; Lenoir County: Falling Creek *, Institute *, Kinston #3 *, Kinston #4 *, Kinston #5 *, Kinston #9 *, Neuse *, Pink Hill #1 *, Pink Hill #2 *, Tract 0112: Block Group 3: Block 339A, Block 341; Sandhill *, Southwest *, Trent #1 *, Trent #2 *: Tract 0112: Block Group 3: Block 301; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 408, Block 409, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 446, Block 447, Block 448; Woodlington *, Martin County: Bear Grass, Cross Roads, Griffins, Jamesville,

Williams; Onslow County: East Northwoods *, West Northwoods *, Half Moon *: Tract 0012: Block Group 1: Block 101B, Block 102B, Block 108B, Block 109B, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 128, Block 129, Block 132, Block 136, Block 137; Block Group 2: Block 201, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212A, Block 212B, Block 213, Block 214, Block 215, Block 216; Block Group 3: Block 306B, Block 307A; Jacksonville, New River *, Catherine Lake *, Haw Branch *, Gum Branch *, Richlands *, Harris Creek *, Haws Run *, Tract 0004: Block Group 4: Block 408; Holly Ridge *: Tract 0004: Block Group 4: Block 406, Block 407, Block 409, Block 410, Block 414, Block 415, Block 416, Block 417, Block 418, Block 426; Swansboro *, Mills *, Tract 0001: Block Group 1: Block 101, Block 102, Block 103, Block 104B, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 114, Block 115, Block 119, Block 120, Block 125B, Block 129B, Block 133, Block 134B, Block 135B, Block 136, Block 137B; Mortons *, Northeast *, VTD ZZZZ: Tract 0001: Block Group 1: Block 104A, Block 125A, Block 126, Block 127, Block 128, Block 129A, Block 130, Block 131, Block 132, Block 134A, Block 135A, Block 137A, Block 138, Block 139A, Block 140, Block 141, Block 142, Block 143, Block 144A, Block 144B, Block 144C, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156, Block 157, Block 158, Block 159, Block 160, Block 161, Block 162, Block 163, Block 164, Block 165, Block 166, Block 167, Block 168, Block 169A, Block 170, Block 171A, Block 172, Block 173, Block 174, Block 175, Block 176, Block 177A, Block 177B, Block 178, Block 179, Block 185, Block 186, Block 196A, Block 196B, Block 197A, Block 197B; Tract 0002: Block Group 6: Block 627A, Block 628, Block 629A, Block 629B, Block 630A, Block 631, Block 632, Block 633, Block 634A, Block 635A, Block 648A, Block 649A; Tract 0012: Block Group 1: Block 101A, Block 102A, Block 103, Block 104, Block 105, Block 106, Block 107A, Block 108A, Block 109A; Tract 0013: Block Group 1: Block 107; Pamlico County: Pamlico County; Pasquotank County: Mount Hermon, Providence, Salem, Elizabeth City 1-B, Elizabeth City 2-A, Elizabeth City 2-B; Pender County: North Burgaw *, South Burgaw *, Grady *: Tract 9805: Block Group 4: Block 407, Block 409, Block 418, Block 420, Block 421, Block 422, Block 423, Block 424, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446, Block 447, Block 448, Block 449, Block

450, Block 451, Block 452, Block 453, Block 454, Block 455, Block 456, Block 458, Block 459, Block 460, Block 461, Block 462, Block 463, Block 464, Block 465, Block 466, Block 467, Block 471, Block 473, Block 474, Block 475, Block 476, Block 477, Block 478, Block 479, Block 480, Block 481, Block 482, Block 483, Block 485, Block 493, Block 494, Block 496; Tract 9806: Block Group 3: Block 339; Middle Holly *, Long Creek *, Penderlea *, Lower Union *, Rocky Point *, Upper Topsail *; Pitt County: Ayden West *, Chicod *, Simpson *, Swift Creek *, Winterville West *, Winterville East *, Greenville #7 *, Greenville #8 *, Greenville #9 *, Greenville #10 *, Greenville #11 *, Greenville #12 *; Sampson County, Tyrrell County, Wayne County: Brogden *, Mt. Olive *, Buck Swamp *, Fork *, Grantham *, Great Swamp *, Goldsboro #1 *, Goldsboro #2 *, Goldsboro #3 *, Goldsboro #4 *, Goldsboro #5 *, Indian Springs *, White Hall *: Tract 0006: Block Group 6: Block 605, Block 624, Block 625, Block 626, Block 627, Block 628, Block 629, Block 630, Block 631, Block 632, Block 633, Block 634, Block 635, Block 636, Block 644, Block 645, Block 646, Block 647, Block 652, Block 653, Block 654, Block 655, Block 656, Block 657, Block 658; Block Group 7: Block 701, Block 702, Block 703, Block 704A, Block 704B, Block 705, Block 706, Block 707, Block 708, Block 709, Block 710, Block 711, Block 712, Block 713, Block 714A, Block 714B, Block 715, Block 716A, Block 716B, Block 717, Block 718, Block 719, Block 720, Block 721, Block 722, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728A, Block 728B, Block 729A, Block 729B, Block 730, Block 731, Block 732, Block 733, Block 734, Block 735, Block 736, Block 737, Block 738, Block 739, Block 740, Block 741, Block 742, Block 745, Block 748; Eureka *, Fremont *, New Hope *, Pikeville *, Saulston *, Pinewood *, Stoney Creek *.

District 4: Chatham County, Orange County: Orange Grove *, White Cross *, Carr *: Tract 0108: Block Group 1: Block 130, Block 131, Block 132, Block 154, Block 185, Block 186, Block 187; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446, Block 447, Block 448, Block 449, Block 450, Block 451, Block 452, Block 453, Block 454, Block 472, Block 475, Block 476A, Block 477, Block

478, Block 479A, Block 480, Block 481, Block 482, Block 483A, Block 484A, Block 485A; Tract 0111: Block Group 2: Block 206A, Block 207, Block 209, Block 210, Block 211A, Block 212A, Block 213, Block 214A, Block 215A; Cedar Grove *: Tract 0108: Block Group 1: Block 145, Block 147, Block 149, Block 150, Block 151, Block 152, Block 153, Block 158, Block 159, Block 160, Block 161, Block 162, Block 163, Block 164, Block 165, Block 166, Block 167, Block 168, Block 169, Block 170, Block 171, Block 172, Block 173, Block 174, Block 175, Block 176, Block 177, Block 178, Block 179, Block 180, Block 181, Block 182, Block 183, Block 184, Block 188, Block 189, Block 190; Block Group 4: Block 455, Block 456, Block 457, Block 458, Block 459, Block 460, Block 461, Block 462, Block 463A, Block 464, Block 465, Block 466A, Block 467A, Block 468, Block 469A, Block 470A, Block 471A, Block 473, Block 474; Tolars *: Tract 0108: Block Group 2: Block 271, Block 272, Block 273, Block 274, Block 278, Block 279, Block 280, Block 281, Block 282, Block 283, Block 284A; Block Group 3: Block 307A, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319A, Block 342A, Block 342B, Block 343, Block 344, Block 345, Block 346A, Block 347, Block 348, Block 349, Block 350, Block 351, Block 354A, Block 355A, Block 356A, Block 357, Block 358A, Block 359, Block 360A, Block 361A, Block 361B, Block 381, Block 382; Tract 0109: Block Group 2: Block 213A; Battle Park *, Coker Hills *, Coles Store *, Colonial Heights *, Country Club *, Dogwood Acres *, East Franklin *, Eastside *, Estes Hills *, Foxcroft *, Glenwood *, Greenwood *, Kings Mill *, Lincoln *, Lions Club *, Mason Farm *, North Carrboro *, Norside *, Owasa *, Patterson *, Ridgefield *, St. John *, Town Hall *, Weaver Dairy *, Westwood *, Cheeks *, Efland *, St. Marys *, Cameron Park *, Grady Brown *, Hillsborough *, West Hillsborough *, Caldwell *: Tract 0108: Block Group 3: Block 338, Block 339, Block 340, Block 346B, Block 352, Block 353, Block 354B, Block 355C, Block 356B, Block 361E, Block 362B, Block 363, Block 364, Block 365, Block 366, Block 367, Block 368, Block 369, Block 376, Block 377, Block 378, Block 379, Block 380B; Wake County: Raleigh 01-01 *, Raleigh 01-02 *, Raleigh 01-03 *, Raleigh 01-04 *, Raleigh 01-05 *, Raleigh 01-06 *, Raleigh 01-07 *, Raleigh 01-09 *, Raleigh 01-10 *, Raleigh 01-11 *, Raleigh 01-12 *, Raleigh 01-13 *, Raleigh 01-14 *, Raleigh 01-15 *, Raleigh 01-16 *, Raleigh 01-17 *, Raleigh 01-18 *, Raleigh 01-19 *, Raleigh 01-20 *, Raleigh 01-21 *, Raleigh 01-22 *, Raleigh 01-23 *, Raleigh 01-26 *, Raleigh 01-27 *, Raleigh 01-28 *, Raleigh 01-29 *, Raleigh 01-30 *, Raleigh 01-31 *, Raleigh 01-32 *, Raleigh 01-33 *, Raleigh 01-34 *, Raleigh 01-35 *, Raleigh 01-36 *, Raleigh 01-37 *,

Raleigh 01-38 *, Raleigh 01-39 *, Raleigh 01-40 *, Raleigh 01-41 *, Raleigh 01-42 *, Raleigh 01-43 *, Raleigh 01-44 *, Raleigh 01-45 *, Raleigh 01-46 *, Bartons Creek #1 *, Bartons Creek #2 *, Buckhorn *, Cary #1 *, Cary #2 *, Cary #3 *, Cary #4 *, Cary #5 *, Cary #6 *, Cary #7 *, Cary #8 *, Cary #9 *, Cary #10 *, Cedar Fork *, Holly Springs *, House Creek #1 *, House Creek #2 *, House Creek #3 *, House Creek #4 *, House Creek #5 *, House Creek #6 *, Leesville #1 *, Leesville #2 *, Leesville #3 *, Little River #1 *, Little River #2 *, Marks Creek #1 *, Marks Creek #2 *, Meredith *, Middle Creek #1 *, Middle Creek #2 *, Raleigh 01-27 Part, Neuse #1 *, Neuse #2 *, New Light #2 *, Panther Branch *, St. Marys #1 *, St. Marys #2 *, St. Marys #3 *, St. Marys #4 *, St. Marys #5 *, St. Marys #6 *, St. Marys # 7, St. Matthews #1 *, St. Matthews #2 *, St. Matthews #3 *, St. Matthews #4 *, Swift Creek #1 *, Swift Creek #2 *, Swift Creek #3 *, Swift Creek #4 *, Wake Forest #1 *, Wake Forest #2 *, White Oak #1 *, White Oak #2 *.

District 5: Alleghany County; Ashe County; Burke County: Drexel #1 *, Drexel #2 *, Linville #2 *, Lower Creek *, Morganton #1 *, Morganton #3 *, Morganton #4 *, Morganton #5 *, Morganton #6 *, Morganton #7 *, Morganton #8 *, Morganton #9 *, Morganton #10 *, Quaker Meadow #1 *, Quaker Meadow #2 *, Silver Creek #1 *, Silver Creek #3 *, Silver Creek #4 *, Smoky Creek *; Caldwell County: Kings Creek *, Lenoir #1 *, Lenoir #2 *, Lenoir #3 *, Lenoir #4 *, Lower Creek #1 *, Lower Creek #4 *, Yadkin Valley *; Caswell County, Forsyth County: Abbotts Creek #3 *, Belews Creek *, Bethania #1 *, Bethania #3 *, Kernersville #1 *, Kernersville #2 *, Kernersville #3 *, Kernersville #4 *, Middlefork #2 *, Middlefork #3 *, Old Town #2 *, Salem Chapel #1 *, Salem Chapel #2 *, Ardmore Baptist Church *, Bethabara Moravian Church *, Bible Wesleyan Church *, Bishop McGuinness *, Bolton Swimming Center *, Brown/Douglas Recreation *, Brunson Elementary School *, Christ Moravian Church *, Country Club Fire St. *, Covenant Presbyterian Church *, Easton Elementary School *, First Christian Church *, Forest Hill Fire Station *, Forsyth Tech W. Camp. *, Greek Orthodox Church *, Hanes Community Center *, Hill Middle School *, Latham Elementary School *, Memorial Coliseum *, Miller Park Recreation Center *, Mineral Springs F. St *, Mt. Tabor High School *, New Hope United Methodist Church *, Old Town Presbyterian Church *, Parkland High School *, Parkway United Church *, Philo Middle School *, Polo Park Recreation Center *, Reynolds High School Gym *, South Fork Elem School *, St. Anne's Episcopal Church *, Summit School *, Trinity Moravian Church *, Trinity United Methodist Church *, Whitaker Elementary School *;

Granville County: Oak Hill *, West Oxford Elementary *, Sassafras Fork *, Walnut Grove *; Guilford County: North Madison *, Stokesdale *: Tract 0158: Block Group 1: Block 105A, Block 107A, Block 108A; Tract 0159: Block Group 1: Block 105A, Block 114A, Block 115A, Block 116, Block 117A, Block 118A, Block 118B, Block 125, Block 126, Block 127, Block 128A, Block 129A; Block Group 2: Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232B, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239A, Block 240, Block 241, Block 242, Block 243A, Block 244, Block 245, Block 246, Block 247, Block 248, Block 249, Block 250, Block 251A, Block 252, Block 253; Block Group 3: Block 306A, Block 314A, Block 315A, Block 320, Block 321B, Block 322B, Block 323A, Block 323B; Person County, Rockingham County, Stokes County; Surry County, Watauga County; Wilkes County: Beaver Creek *, Boomer *, Elk No. 2 *, Moravian Falls *, No. Wilkesboro-1 *, No. Wilkesboro-3 *, Wilkesboro No. 1 *.

District 6: Alamance County: Albright *, Central Boone *, North Boone *, South Boone *, West Boone *, Boone #5 *, East Burlington *, North Burlington *: Tract 0201.01: Block Group 1: Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 117, Block 118; Block Group 2: Block 201, Block 209, Block 224; Tract 0202: Block Group 1: Block 104, Block 112, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123; Tract 0203: Block Group 1: Block 102, Block 103, Block 106, Block 111A, Block 111B, Block 112, Block 113A, Block 113B, Block 113C; Block Group 2: Block 203, Block 204, Block 205, Block 206, Block 207, Block 209, Block 210; Block Group 3; Tract 0204: Block Group 3: Block 301, Block 302, Block 303, Block 305, Block 348, Block 349; Tract 0205: Block Group 8: Block 807, Block 823; South Burlington *, West Burlington *, Burlington #5 *, Burlington #6 *, Burlington #8 *, Burlington #9 *, Coble *, East Graham *, North Graham *, South Graham *, West Graham *, Graham #3 *, North Melville *, South Melville *, Melville #3 *, North Newlin *, South Newlin *, Patterson *, North Thompson *, South Thompson *: Davidson County: Abbotts Creek *: Tract 0601: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112,

Block 113, Block 114, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 211, Block 212, Block 213, Block 214, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 238, Block 239, Block 240, Block 241, Block 242, Block 243, Block 248, Block 250; Block Group 3, Block Group 9: Block 901A, Block 901B, Block 902, Block 903, Block 904, Block 905, Block 906, Block 907, Block 908, Block 909, Block 910, Block 911, Block 912, Block 915, Block 916A, Block 916B, Block 917, Block 918, Block 920, Block 921, Block 922; Alleghany *, Arcadia *, Boone *, Central *, Holly Grove *, Liberty *, Cotton *: Tract 0615: Block Group 4: Block 443; Tract 0618.01: Block Group 2: Block 204B, Block 207A, Block 207B, Block 208A, Block 208B, Block 227, Block 235C, Block 236, Block 237C, Block 238; Block Group 3: Block 301, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429; Block Group 5: Block 541, Block 542, Block 543, Block 544, Block 545; Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606, Block 607, Block 622, Block 623, Block 624; Block Group 7: Block 701, Block 702, Block 703, Block 704, Block 705, Block 706, Block 707, Block 708, Block 709, Block 710, Block 711, Block 714, Block 715, Block 716, Block 745; Southmont *, Denton *, Emmons *, Silver Valley *, Hampton *, Healing Springs *, Jackson Hill *, Lexington No. 1 *: Tract 0604: Block Group 2: Block 206, Block 213, Block 226; Tract 0612: Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 307, Block 309, Block 310, Block 311, Block 312, Block 314, Block 315, Block 316, Block 317B, Block 318, Block 319, Block 320, Block 321, Block 322, Block 324B, Block 325B, Block 326B, Block 327B, Block 348B, Block 349C, Block 350C, Block 350D, Block 370E, Block 371B, Block 372, Block 373B, Block 374, Block 375, Block 382; Lexington No. 2 *, Lexington No. 3 *, Lexington No. 4 *, Ward No. 2 *: Tract 0613: Block Group 2: Block 220, Block 221, Block 222, Block 223, Block 237; Block Group 3: Block 340, Block 341, Block 342; Tract 0614: Block Group 2: Block 210, Block 211; Tract 0615: Block Group 1: Block 106, Block 107, Block

109, Block 110, Block 111, Block 112, Block 113, Block 120, Block 121; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 449, Block 450, Block 451, Block 452, Block 453A; Tract 0616: Block Group 1: Block 101, Block 102, Block 103, Block 105, Block 106, Block 107, Block 108, Block 109, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131; Block Group 2, Block Group 3: Block 301A, Block 302A, Block 314A, Block 315A, Block 319A, Block 320, Block 321, Block 322; Tract 0618.01: Block Group 2: Block 211; Ward No. 3 *, Ward No. 6 *: Tract 0614: Block Group 3: Block 340; Block Group 4: Block 413B, Block 413C, Block 414, Block 415, Block 416; Tract 0615: Block Group 1: Block 131, Block 132; Block Group 2: Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 242; Block Group 3: Block 301C, Block 301D, Block 302B, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313A, Block 313B, Block 314, Block 315, Block 316, Block 317A, Block 317B, Block 368A, Block 368B, Block 369, Block 370, Block 371; Tract 0618.01: Block Group 2: Block 201, Block 202, Block 203, Block 204A, Block 205, Block 206A, Block 206B, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234A, Block 234B, Block 235A, Block 235B, Block 237A, Block 237B; Tract 0618.02: Block Group 1: Block 101A, Block 135; Welcome *, Midway *, Reeds *, Tyro *, Reedy Creek *, Silver Hill *, Thomasville No. 4 *: Tract 0609: Block Group 1, Block Group 2, Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308A, Block 310, Block 313A, Block 315A, Block 316, Block 317A, Block 317B, Block 318, Block 319, Block 320, Block 321, Block 322A, Block 322B, Block 324A, Block 324B, Block 324C, Block 325, Block 326A, Block 327, Block 328A; Block Group 4, Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 518, Block 519, Block 520, Block 521, Block 522; Block Group 9: Block 901A, Block 903A, Block 911A, Block 911B; Tract 0611: Block Group 1: Block 101, Block 102, Block 103A;

Thomasville No. 5 *, Thomasville No. 7 *: Tract 0605: Block Group 1: Block 107, Block 108, Block 109, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 119, Block 126, Block 127; Block Group 9: Block 903, Block 904, Block 905, Block 906, Block 907, Block 908, Block 915, Block 917; Thomasville No. 8 *: Tract 0605: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 110, Block 111; Block Group 9: Block 901, Block 902, Block 909, Block 910, Block 911, Block 912; Tract 0606: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112B, Block 113B, Block 114, Block 115, Block 116, Block 117, Block 118B, Block 119B, Block 120B, Block 121B, Block 122B, Block 123, Block 124; Block Group 4: Block 401A, Block 401B, Block 401C, Block 402A, Block 402B, Block 403, Block 404, Block 405A, Block 405B, Block 405C, Block 405D, Block 405E, Block 406A, Block 406B, Block 407, Block 413, Block 414; Block Group 9: Block 901, Block 902, Block 905, Block 906B, Block 907, Block 908, Block 909, Block 910, Block 930B, Block 934, Block 935B, Block 956, Block 959B; Tract 0607: Block Group 1: Block 101B, Block 102B; Block Group 3: Block 324B, Block 325, Block 326B; Tract 0608: Block Group 1: Block 101, Block 102B, Block 104B; Thomasville No. 9 *, Thomasville No. 10 *, Yadkin College *; Davie County: Fulton township, Jerusalem township, Mocksville township, Shady Grove township; Guilford County: GB-10 *, GB-11 *, GB-12 *, GB-13 *, GB-14 *, GB-15 *: Tract 0116.01: Block Group 1: Block 105, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114; Block Group 2: Block 201; Block Group 4: Block 410, Block 411, Block 412, Block 415, Block 417; GB-16 *, GB-17 *, GB-18 *, GB-20 *, GB-21 *, GB-22 *, GB-27A *, GB-28 *, GB-31 *, GB-32 *, GB-34A *, GB-35A *, GB-37A *, GB-38 *, GB-39 *, GB-40A *, GB-41A *, GB-43 *, HP-01 *, HP-02 *, HP-04 *, HP-08 *, HP-09 *, HP-10 *, HP-13 *, HP-14 *, HP-16 *, HP-18 *, HP-19 *, HP-20 *, HP-21 *, HP-23 *, HP-24 *, Bruce *, North Center Grove *, South Center Grove *, Clay *, Deep River *, Fentress-1 *, Fentress-2 *, Friendship-1 *, Friendship-2 *, Whitsett *, Greene *, Jamestown-1 *: Tract 0164.01: Block Group 2: Block 221Y, Block 221Z, Block 223A; Tract 0164.02: Block Group 4: Block 401W, Block 401Z, Block 402, Block 403C, Block 403D, Block 403E, Block 403F, Block 403G, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 412, Block 424, Block 425, Block 426, Block 434, Block 435, Block 443X, Block 443Y, Block 443Z, Block 444, Block 445, Block 446, Block 447Y, Block 447Z; Block Group 9: Block 901A; Tract 0165.02: Block Group 3: Block 315X, Block 315Y, Block 315Z,

Block 317; Jamestown-2 *: Tract 0164.01: Block Group 2: Block 201F, Block 201G, Block 211B, Block 212B, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221C, Block 221D, Block 222, Block 223B; Tract 0164.02: Block Group 4: Block 401C; Tract 0165.01: Block Group 2: Block 201D, Block 201E, Block 202, Block 211B, Block 211C; Tract 0165.02: Block Group 1: Block 103D, Block 103E, Block 104, Block 108B, Block 109C, Block 110B, Block 111B, Block 112, Block 113; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 211, Block 224; Block Group 3: Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 315B, Block 316, Block 318, Block 319, Block 320, Block 321, Block 322; Block Group 4: Block 407A, Block 415A, Block 415B, Block 418A; Tract 0166: Block Group 9: Block 904, Block 905, Block 906, Block 907, Block 930A, Block 952, Block 953; Tract 0167: Block Group 1: Block 105A, Block 106A, Block 106B, Block 110A, Block 111A, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118A, Block 119A, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125; Block Group 5: Block 501A, Block 502, Block 503, Block 504, Block 505, Block 506A, Block 507A, Block 508A, Block 510A, Block 511; Jamestown-3 *, North Jefferson *: Tract 0127.07: Block Group 2: Block 201C, Block 201D; Tract 0128.03: Block Group 2: Block 208, Block 209, Block 210, Block 211, Block 212, Block 215, Block 216, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 225, Block 226, Block 227B, Block 232, Block 233, Block 234C; Tract 0153: Block Group 1: Block 101A, Block 102A, Block 103, Block 104A, Block 105A, Block 106A, Block 112A, Block 113, Block 114A, Block 133, Block 134; Block Group 2, Block Group 3: Block 302A, Block 304, Block 305, Block 306, Block 307, Block 308, Block 313, Block 314, Block 315, Block 316; Tract 0154: Block Group 5: Block 511A, Block 520A, Block 521, Block 522A, Block 523, Block 524A, Block 525A, Block 526A, Block 527, Block 528A; Block Group 6: Block 601, Block 602A, Block 603, Block 604, Block 605B, Block 606, Block 607, Block 608, Block 609, Block 610, Block 611; South Jefferson *, South Madison *, North Monroe *, South Monroe *, Oak Ridge *, Stokesdale *: Tract 0159: Block Group 2: Block 201A, Block 201B, Block 202, Block 232A; Block Group 3: Block 303A, Block 307A, Block 308A, Block 309A, Block 310, Block 311, Block 312, Block 313, Block 316, Block 321A, Block 322A; South Sumner *, North Washington *, South Washington *: Tract 0151: Block Group 1: Block 149; Tract 0152: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106; Block Group 4: Block 401, Block 402, Block 403,

Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415B, Block 416B; Tract 0153: Block Group 1: Block 101B, Block 102C, Block 104C; Tract 0154: Block Group 4: Block 401C, Block 404B; Block Group 5: Block 501, Block 502, Block 506B; GB-27B *, GB-34B *, GB-35B *, GB-37B *, GB-40B *, GB-41B *, GB-24C *, GB-27C *; Randolph County, Rowan County: Franklin *: Tract 0505: Block Group 2: Block 201B, Block 202B, Block 202C; Block Group 3: Block 301B; Tract 0513.01: Block Group 2: Block 201, Block 202, Block 203, Block 204B, Block 205C, Block 205D, Block 206B, Block 207; Block Group 3: Block 301, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309C, Block 310, Block 311, Block 313, Block 314; Tract 0513.02: Block Group 1: Block 101, Block 102, Block 103B, Block 103C, Block 104B, Block 105B, Block 106, Block 107, Block 108B, Block 114B, Block 119B; Block Group 2, Block Group 3: Block 302, Block 303, Block 304, Block 305, Block 306, Block 319, Block 320; Tract 0519: Block Group 2: Block 224A; Block Group 3: Block 301A; Barnhardt Mill *, Rockwell *, Bostian Crossroads *, Faith, Sumner *: Tract 0502: Block Group 4: Block 411A, Block 411D, Block 411E, Block 416B, Block 417; Tract 0511: Block Group 1: Block 101, Block 102; Block Group 2: Block 202, Block 203, Block 204, Block 206, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214A, Block 214B, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225; Tract 0512.01: Block Group 1: Block 102C, Block 102D, Block 108C, Block 122B, Block 123B, Block 123C; Block Group 2: Block 205, Block 207, Block 208, Block 209, Block 210, Block 211; Block Group 3: Block 312A, Block 312B, Block 312C, Block 312D, Block 313, Block 314, Block 318, Block 319; Block Group 4: Block 401, Block 402A, Block 402B, Block 403, Block 411, Block 412A, Block 412B, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423; Tract 0517: Block Group 1: Block 102B, Block 103B; Morgan I *, Morgan II *, Gold Knob *, Granite Quarry *, Hatters Shop *, West Innes *: Tract 0505: Block Group 2: Block 202A; Block Group 3: Block 301A, Block 301C, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 312, Block 313, Block 314; Tract 0513.02: Block Group 1: Block 103A, Block 104A, Block 105A, Block 108A, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114A, Block 115, Block 116, Block 117, Block 118, Block 119A, Block 120, Block 121, Block 122, Block 123; Block Group 3: Block 321B; North Ward II *: Tract 0505: Block Group 1: Block 101A, Block 102, Block 103,

Block 105, Block 106, Block 108, Block 109, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 123, Block 124, Block 126, Block 128, Block 129, Block 130, Block 131, Block 132; Block Group 2: Block 201A, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210; Tract 0506: Block Group 1: Block 134, Block 135.

District 7: Bladen County: Abbotts township: Tract 9505: Block Group 2: Block 213A, Block 214A, Block 224A, Block 226A, Block 227A, Block 229; Block Group 4: Block 418B, Block 419B, Block 451A; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506A, Block 508A, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522, Block 523, Block 524, Block 525, Block 526A, Block 527A, Block 527B, Block 534A, Block 539, Block 540, Block 541, Block 542, Block 543, Block 544, Block 545, Block 546, Block 547, Block 548, Block 549, Block 550, Block 551, Block 552A, Block 554, Block 555, Block 556, Block 557, Block 558, Block 559, Block 560, Block 561, Block 562, Block 563, Block 564, Block 565, Block 566; Bethel township, Bladenboro township, Colly township, Cypress Creek township, Hollow township; Brunswick County: Brunswick County; Columbus County: Bogue township, Bug Hill township, Cerro Gordo township, Chadbourn township: Tract 9906: Block Group 4: Block 401A, Block 403B, Block 404B; Tract 9907: Block Group 1: Block 101A, Block 116, Block 117A, Block 118, Block 124A; Block Group 2: Block 201A, Block 201B, Block 202A, Block 202B, Block 203A, Block 203B, Block 204A, Block 204B, Block 205A, Block 205B, Block 206, Block 207, Block 208A, Block 208B, Block 209A, Block 209B, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 231, Block 240; Block Group 3, Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406A, Block 406B, Block 407, Block 408, Block 409, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435; Block Group 5: Block 521B, Block 522, Block 523, Block 524, Block 525B, Block 526, Block 527, Block 528, Block 529, Block 530B, Block 531B, Block 532; Tract 9909: Block Group 6: Block 609, Block 610, Block 611, Block 618A, Block 620A, Block 621, Block 622, Block 623, Block 624, Block 625, Block 626A, Block 627A, Block 628, Block 629; Tract 9910: Block Group 2: Block 210A, Block 210B, Block 211A,

Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220A, Block 228, Block 229; Block Group 3: Block 302A, Block 303, Block 304, Block 305, Block 306, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339; Tract 9911: Block Group 1: Block 101, Block 102A; Fair Bluff township, Lees township, South Williams township, Tatums township, Waccamaw township, Whiteville township: Tract 9905: Block Group 4: Block 401, Block 402, Block 403, Block 404B; Tract 9907: Block Group 1: Block 101C, Block 102, Block 117B, Block 124B, Block 125, Block 126; Tract 9908: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 119, Block 120B, Block 122, Block 123, Block 124, Block 125, Block 126; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 207, Block 208A, Block 208B, Block 209, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226; Block Group 3: Block 301, Block 304, Block 305, Block 306; Block Group 4: Block 405, Block 406; Tract 9909: Block Group 1: Block 104, Block 105, Block 106, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120; Block Group 2, Block Group 3: Block 307, Block 308, Block 343, Block 344, Block 345; Block Group 4: Block 423A, Block 424, Block 425, Block 426, Block 430; Block Group 5: Block 523, Block 524; Block Group 6: Block 617, Block 618B, Block 626B, Block 626C, Block 627B; Tract 9910: Block Group 1: Block 126C, Block 132C; Block Group 2: Block 201A, Block 201B, Block 201C, Block 202, Block 203, Block 204, Block 205, Block 206A, Block 206B, Block 207, Block 208, Block 209, Block 210C, Block 211B, Block 220B, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227; Block Group 3: Block 301B, Block 302B, Block 309B; Williams township; Cumberland County: Beaver Dam *: Tract 0029: Block Group 1: Block 108A, Block 109A, Block 110, Block 111A, Block 112A, Block 112B, Block 115A, Block 117A, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block

329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335; Black River *, Linden *, Long Hill *, Westarea *, Judson *, Stedman *, Cross Creek #4 *, Cross Creek #6 *, Cross Creek #7 *, Cross Creek #8 *, Cross Creek #9 *: Tract 0012: Block Group 2: Block 201, Block 202, Block 227, Block 229, Block 230, Block 231, Block 232; Tract 0025.01: Block Group 9: Block 901A, Block 901B, Block 902A, Block 906A, Block 908A, Block 909A, Block 910, Block 912A, Block 913A, Block 914, Block 915, Block 917, Block 919, Block 920, Block 921, Block 922, Block 923, Block 924, Block 925, Block 926, Block 927, Block 928, Block 929, Block 930, Block 932, Block 934C, Block 934D, Block 934H, Block 934J, Block 935, Block 936; Cross Creek #11 *, Cross Creek #12 *, Cross Creek #14 *, Cross Creek #15 *: Tract 0006: Block Group 1: Block 101, Block 102, Block 103, Block 134, Block 135, Block 136, Block 143; Block Group 2, Block Group 3: Block 303, Block 305, Block 306, Block 309; Block Group 4: Block 410, Block 411, Block 412; Tract 0018: Block Group 1: Block 101, Block 102, Block 107, Block 111, Block 123, Block 124A, Block 129, Block 130, Block 131; Block Group 2: Block 203A, Block 204A, Block 205A; Tract 0019.02: Block Group 1: Block 101A; Tract 0020: Block Group 6: Block 619A; Cross Creek #17 *: Tract 0023: Block Group 2: Block 201, Block 208, Block 209, Block 210, Block 215, Block 216B, Block 217, Block 218, Block 219, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 240, Block 251; Block Group 9: Block 901B, Block 903B, Block 906, Block 907B, Block 907C, Block 907D, Block 907E, Block 910; Tract 0024: Block Group 1: Block 103A; Block Group 3: Block 304A, Block 307A, Block 308A; Cross Creek #18 *, Cross Creek #20 *, Cross Creek #21, Cross Creek #22 *, Cross Creek #23 *, Cross Creek #24 *, Cross Creek #2 *, Eastover *, Vander *, Wade *, Alderman *, Spring Lake *: Tract 0035: Block Group 1: Block 110A, Block 119, Block 123; Pearces Mill #2 *, Pearces Mill #4 *, Cumberland #1 *, Cumberland #2 *, Hope Mills #1 *, Hope Mills #2 *, Beaver Lake *, Montclair *, Seventy First #2 *, Seventy First #3 *, New Hanover County: Cape Fear #1 *: Tract 0115: Block Group 1: Block 144, Block 148; Block Group 2: Block 202, Block 205, Block 206, Block 207, Block 208, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216; Block Group 3, Block Group 4: Block 402, Block 403, Block 404, Block 405, Block 406, Block 407; Cape Fear #2 *, Cape Fear #3 *, Federal Point #1 *, Federal Point #2 *, Federal Point #3 *, Wrightsville Beach *, Harnett #2 *, Harnett #3 *, Harnett #4 *, Harnett #5 *, Harnett #6 *, Harnett #7 *, Masonboro #2 *, Masonboro #3 *, Masonboro #4 *, Masonboro #5 *, Wilmington #4 *, Wilmington #5 *, Wilmington #8 *: Tract 0107: Block Group 1: Block 101, Block

102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 115, Block 127, Block 131, Block 133, Block 134; Tract 0110: Block Group 1: Block 101, Block 103, Block 107, Block 110, Block 115, Block 116, Block 118, Block 123, Block 125, Block 126, Block 127; Block Group 2: Block 203, Block 205, Block 206, Block 212, Block 214, Block 215, Block 219, Block 220, Block 222, Block 224, Block 225, Block 226; Wilmington #9 *: Tract 0102: Block Group 1: Block 102, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 126; Tract 0103: Block Group 3, Block Group 4, Block Group 5: Block 508, Block 509; Wilmington #11 *, Wilmington #12 *, Wilmington #13 *, Wilmington #14 *, Wilmington #16 *, Wilmington #17 *, Wilmington #18 *; Onslow County: Cross Roads *, Half Moon *: Tract 0012: Block Group 1: Block 130, Block 131; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306A, Block 307B; Block Group 4; Tar Landing *, Brynn Marr *, Folkstone *, Verona *, Bear Creek *, Hubert *, Camp Lejeune Military Base 1, Camp Lejeune Military Base 2, Camp Lejeune Military Base 3, Camp Lejeune Military Base 4, Camp Lejeune Military Base 5, Camp Lejeune Military Base 6, Camp Lejeune Military Base 7, Camp Lejeune Military Base 8, Camp Lejeune Military Base 9, Camp Lejeune Military Base 10, Camp Lejeune Military Base 11, Camp Lejeune Military Base 12, Camp Lejeune Military Base 13, Camp Lejeune Military Base 14; Pender County: Lower Topsail *, Scott's Hill *, Surf City *; Robeson County: Alfordsville *, Back Swamp *, Britts *, Burnt Swamp *, Fairmont #1 *, Fairmont #2 *, Gaddys *, East Howellsville *, West Howellsville *, Lumberton #1 *, Lumberton #2 *, Lumberton #3 *, Lumberton #4 *, Lumberton #5 *, Lumberton #6 *, Lumberton #7 *, Lumberton #8 *, Orrum *, North Pembroke *, South Pembroke *, Philadelphus *, Raft Swamp *, Rowland *, Saddletree *, Smiths *, Smyrna *, Sterlings *, Thompson *, Union *, Whitehouse *, Wishart *.

District 8: Anson County, Cabarrus County, Cumberland County: Manchester *, Spring Lake *: Tract 0034.85: Block Group 1: Block 101, Block 103A; Tract 0035: Block Group 1: Block 101A, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 120, Block 121, Block 122, Block 124, Block 125, Block 126; Block Group 2: Block 201A, Block 202A, Block 203B, Block 204, Block 205A, Block 206A, Block 207, Block 208A, Block 208C, Block 208W, Block 208X, Block 208Y, Block 208Z, Block 209Y, Block 209Z, Block 210, Block 211, Block

212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219; Block Group 3, Block Group 4, Block Group 5; Tract 0036.85: Block Group 2: Block 203B; Block Group 3: Block 324A, Block 326A; Block Group 4: Block 401C, Block 403A, Block 404A, Block 404B, Block 404C, Block 405, Block 406, Block 407A, Block 407B, Block 407C, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416A, Block 416B, Block 417; Block Group 5, Block Group 6: Block 606A, Block 608A, Block 608B, Block 609A; Brentwood *, Cottonade *, Morganton Road #1 *, Morganton Road #2 *, Seventy First #1 *; Hoke County, Iredell County: Barringer *: Tract 0613: Block Group 2: Block 216, Block 217A, Block 218, Block 225, Block 226, Block 227; Block Group 4: Block 402A, Block 404A, Block 406A, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423; Block Group 5: Block 501, Block 502, Block 503, Block 504A, Block 505, Block 506D, Block 507, Block 508A, Block 509, Block 510, Block 514A, Block 517, Block 518, Block 519A, Block 524A, Block 525, Block 526A, Block 527A; Chambersburg *: Tract 0607: Block Group 6: Block 610, Block 611, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622, Block 623, Block 624; Tract 0613: Block Group 2: Block 201B; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309B, Block 314B, Block 315B, Block 316B, Block 318, Block 319, Block 320, Block 321, Block 324, Block 325, Block 326; Block Group 4: Block 401, Block 402B, Block 403, Block 404B, Block 405, Block 406B; Coddle Creek #1 *, Coddle Creek #3 *, Mecklenburg County: COR *: Tract 0064: Block Group 2: Block 217F, Block 217H; Block Group 4: Block 401C; CO2 *: Tract 0056.01: Block Group 3: Block 323; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 424, Block 425, Block 426; Tract 0056.02: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 110, Block 111, Block 113, Block 114; DAV *: Tract 0064: Block Group 2: Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217G, Block 217K, Block 217M, Block 218, Block 219, Block 220, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 231A, Block 232A, Block 233B; Block Group 3: Block 301, Block 304, Block 305A, Block 305B, Block 306, Block 307, Block 308, Block 309, Block 310, Block 316, Block 317; Block Group 4: Block 401B, Block 401E, Block 401G; Block Group 6:

Block 603B; Montgomery County; Moore County: Township 1, Carthage, Township 2, Bensalem, Township 3, Sheffields, Township 4, Ritters: Tract 9501: Block Group 1: Block 109A, Block 109B, Block 110A, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126B, Block 126C, Block 130B, Block 130C, Block 131B, Block 131C, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142A, Block 143, Block 144, Block 145A, Block 145B, Block 145C, Block 145D, Block 145E, Block 145F, Block 146A, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154, Block 155, Block 174, Block 175, Block 176, Block 177, Block 178, Block 179A; Block Group 2: Block 229, Block 230B, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239, Block 240, Block 241, Block 243, Block 244, Block 250B; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329B, Block 330, Block 331C, Block 333B, Block 334B, Block 335B, Block 340C, Block 341C, Block 342B, Block 346, Block 347, Block 348; Tract 9502: Block Group 1: Block 134B, Block 134C, Block 149B, Block 149C; Block Group 4: Block 401B, Block 401C, Block 402B, Block 402C, Block 403B, Block 403C, Block 414E, Block 415C, Block 415F, Block 415G, Block 416, Block 417D, Block 417E, Block 417G, Block 417H, Block 418, Block 419, Block 420C, Block 420D; Block Group 5: Block 501, Block 502B, Block 502C, Block 502E, Block 502F, Block 533C, Block 533D, Block 534C, Block 534D, Block 535B, Block 536B, Block 537B, Block 541C, Block 541D; Richmond County, Robeson County: Lumber Bridge *, Maxton *, Parkton *, Red Springs #1 *, Red Springs #2 *, Rennert *, Shannon *, North St. Pauls *, South St. Pauls *; Rowan County: Bradshaw *, Enochville *, Blackwelder Park *, Bostian School *, N. China Grove *, S. China Grove *, East Kannapolis *, West Kannapolis *, East Landis *, West Landis *, Cleveland *, Faith Noncontiguous, Locke *, Sumner *: Tract 0502: Block Group 4: Block 402A, Block 402C, Block 403B, Block 409B, Block 410B, Block 410C, Block 411B, Block 411C, Block 411F, Block 412A, Block 412C, Block 413B, Block 413C, Block 415A, Block 415B, Block 416C; Tract 0511: Block Group 2: Block 201C, Block 205; Tract 0512.01: Block Group 2: Block 206; Mt. Ulla *, East Ward I *, West Ward I *, West Ward II *, Steele *, Tract 0519: Block

Group 3: Block 334B, Block 335; Scotland County, Stanly County; Union County.

District 9: Cleveland County: Boiling Springs *, Pearl *, East Kings Mountain *, West Kings Mountain *, Grover *, Bethware *, Waco *, Shanghai *, Falston *, Mulls *, Casar *; Gaston County: Cherryville #1 *, Cherryville #2 *, Cherryville #3 *, Landers Chapel *, Tryon *, Bessemer City #1 *, Bessemer City #2 *: Tract 0316: Block Group 2, Block Group 3, Block Group 4: Block 401A, Block 401B, Block 402, Block 403A, Block 403B, Block 403C, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411A, Block 411B, Block 412, Block 413, Block 414B, Block 417A, Block 417C; Tract 0317.02: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129; Block Group 2: Block 202; Block Group 3: Block 301, Block 302; Tract 0318: Block Group 1: Block 101C, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108; Tract 0331: Block Group 1: Block 103D, Block 105A; Crowders Mtn. *, Alexis *, Dallas #1 *, Dallas #2 *, High Shoals *, Armstrong *, Ashbrook *, Firestone *: Tract 0329: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115; Block Group 2: Block 207; Block Group 3: Block 306, Block 307, Block 317; Block Group 4: Block 404, Block 405, Block 406; Tract 0330: Block Group 1: Block 118, Block 119, Block 120, Block 126, Block 127, Block 128, Block 129, Block 131, Block 133, Block 134, Block 135, Block 136, Block 137, Block 157, Block 158, Block 159, Block 160, Block 161; Flint Groves *: Tract 0313.02: Block Group 2: Block 205A, Block 217A, Block 219; Tract 0314: Block Group 2, Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 418, Block 419; Block Group 5: Block 501A, Block 501B, Block 502, Block 503A, Block 503B, Block 504, Block 505A, Block 505B, Block 506A, Block 506B, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512A, Block 513, Block 514, Block 515, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521A, Block 522A; Block Group 6; Tract 0321: Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 320, Block 325,

Block 326, Block 327; Forest Heights *, Gardner Park *, Gaston Day *, Grier *, Health Center *: Tract 0308: Block Group 7: Block 701, Block 705A, Block 705B, Block 713, Block 714, Block 715, Block 716, Block 717; Tract 0315: Block Group 1: Block 103A, Block 103B, Block 104, Block 106A, Block 106B, Block 107A, Block 107B, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115A, Block 115B, Block 116A, Block 116B, Block 117, Block 118, Block 119A, Block 119B, Block 120, Block 122, Block 123, Block 124, Block 125A, Block 125B, Block 126A, Block 126B, Block 127, Block 128A, Block 128B, Block 129A, Block 129B, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136; Block Group 3, Block Group 4, Block Group 5, Block Group 6: Block 602, Block 603, Block 604, Block 605, Block 610, Block 614; Memorial Hall *, Myrtle *: Tract 0316: Block Group 4: Block 414A, Block 414C, Block 415, Block 416, Block 417B, Block 417D, Block 418, Block 419; Tract 0318: Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513, Block 514, Block 515, Block 516, Block 517, Block 523, Block 524, Block 525; Ranlo *: Tract 0303: Block Group 5: Block 502B, Block 505D; Tract 0310.01: Block Group 1: Block 101A, Block 102A, Block 103; Tract 0313.01: Block Group 1, Block Group 2: Block 201A, Block 201B, Block 202, Block 203, Block 204A, Block 204B, Block 205A, Block 205B, Block 205C, Block 206, Block 207, Block 208A, Block 208B, Block 209B, Block 209C, Block 210, Block 211B, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219; Tract 0313.02: Block Group 1: Block 104B, Block 105A, Block 105B, Block 106B, Block 107B, Block 110B; Block Group 2: Block 201B, Block 202, Block 203, Block 204, Block 205B, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217B, Block 217C, Block 220B; Tract 0314: Block Group 5: Block 512B, Block 521B, Block 522B; Robinson *, Sherwood *, South Gastonia *, Woodhill *: Tract 0314: Block Group 1: Block 101, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119; Tract 0320: Block Group 1: Block 120; Block Group 3: Block 301, Block 303, Block 304, Block 305, Block 306, Block 307, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354; Victory *, Lucia *, Mt. Holly #1 *, Mt. Holly #2 *, Stanley #1 *, Stanley #2 *, Belmont #1 *,

Belmont #2 *: Tract 0323.01: Block Group 1: Block 102, Block 103, Block 104, Block 106, Block 107A, Block 113, Block 114A, Block 114B, Block 114C, Block 114D, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120C, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128A, Block 128B, Block 129, Block 130A, Block 130B, Block 130C, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136; Block Group 2: Block 201A, Block 201D, Block 202B, Block 208, Block 209, Block 210, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218; Block Group 3; Tract 0323.02: Block Group 1: Block 101B, Block 102, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110A, Block 110B, Block 110C, Block 111A, Block 111B, Block 112A, Block 112B, Block 113, Block 114, Block 115, Block 116A, Block 116B, Block 116C, Block 116D, Block 117A, Block 117B, Block 118, Block 119A, Block 119B, Block 120A, Block 120B, Block 121, Block 122, Block 123, Block 124, Block 125; Block Group 2, Block Group 3: Block 301A, Block 301B, Block 301C, Block 302A, Block 302B, Block 303, Block 304A, Block 304B, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313A, Block 313B, Block 314, Block 315, Block 316A, Block 316B, Block 317A, Block 317B, Block 318A, Block 318B, Block 318C; Belmont #3 *: Tract 0310.01: Block Group 3: Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 312A, Block 312B, Block 312C, Block 312D, Block 313A, Block 313B; Tract 0310.02: Block Group 3: Block 313B, Block 314, Block 315; Block Group 4; Tract 0312: Block Group 1: Block 101A, Block 101B, Block 101C, Block 101D, Block 102A, Block 102B, Block 102C, Block 103, Block 104, Block 105, Block 106A, Block 106B, Block 106C, Block 107, Block 108, Block 109, Block 110, Block 111A, Block 111B, Block 112A, Block 112B, Block 112C, Block 113, Block 114, Block 115, Block 116A, Block 116B, Block 117, Block 118, Block 119A, Block 119B, Block 120, Block 121; Block Group 2: Block 202A, Block 202B, Block 202C, Block 203, Block 204, Block 205; Block Group 3: Block 301, Block 303; Catawba Heights *, Cramerton *, Lowell *: Tract 0313.01: Block Group 2: Block 209A, Block 211A; Tract 0313.02: Block Group 1: Block 101A, Block 103, Block 104A, Block 106A, Block 107A, Block 108, Block 109, Block 110A, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121A, Block 122, Block 123, Block 124, Block 125A, Block 128A, Block 129A; Block Group 2: Block 201A, Block 220A, Block 221, Block 222, Block 223, Block 224; Block Group 3: Block 301A, Block 301B, Block 302A, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309,

Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330A, Block 331A, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 343, Block 344, Block 345, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 412A, Block 415C, Block 416, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426; Tract 0322: Block Group 1: Block 105A, Block 107A, Block 112, Block 115, Block 116A; Block Group 2: Block 209B, Block 213, Block 214, Block 215A, Block 216A, Block 217B, Block 221B, Block 223; McAdenville *: Tract 0310.01: Block Group 1: Block 101C, Block 105B, Block 106B, Block 107; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 311; Tract 0313.02: Block Group 1: Block 101B, Block 102, Block 121B, Block 125B, Block 126, Block 127, Block 128B, Block 129B, Block 130, Block 131A, Block 131B, Block 132A, Block 132B; Block Group 3: Block 301C, Block 302B, Block 330B; Tract 0322: Block Group 1: Block 101, Block 102A, Block 102B, Block 103, Block 104B, Block 105B, Block 105C, Block 106, Block 107B, Block 110, Block 111, Block 113, Block 114, Block 116B, Block 116C, Block 117, Block 118, Block 119A, Block 119B, Block 120, Block 121B, Block 122; Block Group 2: Block 201A, Block 201B, Block 201C, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209C, Block 210, Block 218, Block 225, Block 226; Tract 0323.01: Block Group 1: Block 108A, Block 111, Block 112A, Block 120B, Block 121A; Tract 0325.01: Block Group 5: Block 501; New Hope *, Southpoint *, Union *; Mecklenburg County: Charlotte Pct. 1 *, Charlotte Pct. 4, Charlotte Pct. 5 *, Charlotte Pct. 6 *, Charlotte Pct. 7 *, Charlotte Pct. 8 *, Charlotte Pct. 9 *; Tract 0003: Block Group 1: Block 103, Block 104, Block 105, Block 107, Block 109, Block 110; Tract 0004: Block Group 5: Block 514; Tract 0027: Block Group 3: Block 304; Tract 0035: Block Group 1: Block 101, Block 102, Block 103, Block 107, Block 108, Block 109; Block Group 2, Block Group 3: Block 301, Block 302, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407,

Block 408, Block 409, Block 410, Block 411, Block 412, Block 414; Charlotte Pct. 10 *, Charlotte Pct. 15 *: Tract 0010: Block Group 1: Block 101, Block 103, Block 105, Block 107, Block 108, Block 109, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119: Block Group 2: Block 201, Block 206, Block 207, Block 208, Block 214, Block 218; Block Group 3: Block 307, Block 308, Block 309, Block 313, Block 314, Block 315, Block 317; Tract 0011: Block Group 1: Block 103, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 114, Block 117, Block 120; Block Group 4: Block 408; Tract 0012: Block Group 3: Block 305, Block 306, Block 308Y, Block 308Z; Charlotte Pct. 18 *, Charlotte Pct. 19 *, Charlotte Pct. 20 *, Charlotte Pct. 21 *, Charlotte Pct. 29 *, Charlotte Pct. 32 *, Charlotte Pct. 33 *, Charlotte Pct. 34 *, Charlotte Pct. 35 *, Charlotte Pct. 36 *, Charlotte Pct. 37 *, Charlotte Pct. 38 *, Charlotte Pct. 44 *, Charlotte Pct. 45 *, Charlotte Pct. 47 *, Charlotte Pct. 48 *, Charlotte Pct. 49 *, Charlotte Pct. 50 *, Charlotte Pct. 51 *, Charlotte Pct. 57 *, Charlotte Pct. 58 *, Charlotte Pct. 59 *, Charlotte Pct. 61 *, Charlotte Pct. 62 *, Charlotte Pct. 63 *, Charlotte Pct. 64 *, Charlotte Pct. 65 *, Charlotte Pct. 66 *, Charlotte Pct. 67 *, Charlotte Pct. 68 *, Charlotte Pct. 69 *, Charlotte Pct. 70 *, Charlotte Pct. 71 *, Charlotte Pct. 72 *, Charlotte Pct. 73 *, Charlotte Pct. 74 *, Charlotte Pct. 75 *, Charlotte Pct. 76 *, Charlotte Pct. 77 *: Tract 0058.06: Block Group 1: Block 113; Tract 0059.03: Block Group 3: Block 340A, Block 340B, Block 341A, Block 341B, Block 342, Block 344A, Block 344B, Block 345, Block 346, Block 347, Block 348, Block 349, Block 350, Block 351, Block 352, Block 353, Block 354, Block 355, Block 356, Block 357, Block 361; Charlotte Pct. 79 *, Charlotte Pct. 80 *, Charlotte Pct. 81 *, Charlotte Pct. 83 *, Charlotte Pct. 84 *, Charlotte Pct. 85 *, Charlotte Pct. 86 *, Charlotte Pct. 87 *, Charlotte Pct. 88 *, Charlotte Pct. 89 *, Charlotte Pct. 90 *, Charlotte Pct. 91, Charlotte Pct. 92 *, Charlotte Pct. 93 *, Charlotte Pct. 94 *, Charlotte Pct. 95 *, Charlotte Pct. 96 *, Charlotte Pct. 97 *: Tract 0031.04: Block Group 2: Block 204, Block 205, Block 216, Block 217, Block 218, Block 219; BER *: Tract 0059.01: Block Group 3: Block 301A, Block 301B, Block 302A, Block 302B, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332A, Block 332B, Block 333, Block 334, Block 335, Block 336A, Block 336B, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342; Block Group 4; CCK *, COR

*: Tract 0063: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108B, Block 109, Block 110; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 208, Block 209, Block 212; Tract 0064: Block Group 2: Block 217A, Block 217B, Block 217C, Block 217D, Block 217E, Block 217J, Block 217L, Block 228, Block 229A, Block 229B, Block 229C, Block 230, Block 231B, Block 232B, Block 233A, Block 233C, Block 234, Block 235; Block Group 3: Block 311, Block 312, Block 313, Block 314, Block 315, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324; Block Group 4: Block 401A, Block 401D, Block 401F, Block 402A, Block 402B, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410; Block Group 5: Block 501D, Block 504A, Block 504B, Block 505, Block 506, Block 507, Block 508, Block 509, Block 510, Block 511, Block 512, Block 513A, Block 513B, Block 514A, Block 514B, Block 514C, Block 514D, Block 515A, Block 515B, Block 516A, Block 516B, Block 517, Block 518A, Block 518B, Block 519, Block 520A, Block 520B, Block 520C, Block 521B, Block 524A; Block Group 6: Block 603A, Block 606, Block 610, Block 611, Block 612, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622; CO1 *, CO2 *: Tract 0015.01: Block Group 1: Block 110B; Block Group 2: Block 201; Tract 0056.01: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110; Block Group 2: Block 201, Block 202; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333; Block Group 4: Block 405, Block 406, Block 419, Block 420, Block 421, Block 422B, Block 423; Tract 0056.02: Block Group 1: Block 105, Block 106; HUN *: Tract 0063: Block Group 1: Block 108A, Block 111, Block 112, Block 113, Block 114A, Block 114B, Block 117, Block 118, Block 119; Block Group 2: Block 206, Block 207, Block 210, Block 211, Block 213, Block 214A, Block 214B, Block 214C, Block 215A, Block 215B, Block 216, Block 217; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305B, Block 308, Block 309, Block 310, Block 311, Block 315A, Block 315C, Block 316, Block 317, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331; Block Group 4: Block 401, Block 402A, Block 402B, Block 402C, Block 404A, Block 404B, Block 405, Block 406, Block 407, Block 408,

Block 409, Block 410, Block 411, Block 412, Block 413, Block 414A, Block 414B, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 434, Block 435, Block 436, Block 437, Block 438, Block 439, Block 440, Block 441, Block 442, Block 443, Block 444, Block 445, Block 446; Tract 0064: Block Group 5: Block 521A; LEM *, LC1 - North, LC2: Tract 0061: Block Group 1: Block 108B; Block Group 5, Block Group 9; LC1 - South: Tract 0061: Block Group 4: Block 409, Block 410, Block 411, Block 420, Block 421, Block 422, Block 432, Block 471; MC1, MC2: Tract 0051.01: Block Group 1: Block 101; Tract 0054.01: Block Group 3: Block 308, Block 309, Block 310, Block 311, Block 312, Block 316, Block 318, Block 320, Block 325, Block 326; Tract 0054.02: Block Group 1: Block 101A, Block 101B, Block 101C, Block 102A, Block 102B, Block 102C, Block 102D, Block 102E, Block 103, Block 104, Block 105, Block 106B, Block 107A, Block 107B, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114A, Block 114B, Block 114C, Block 114D, Block 114E, Block 114F, Block 114G, Block 115, Block 116, Block 117, Block 123, Block 129A, Block 129D, Block 129F, Block 134, Block 135, Block 136; Tract 0055.01: Block Group 1: Block 101, Block 102, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 145A, Block 145B, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153; Block Group 2: Block 213, Block 214, Block 216, Block 217B, Block 218, Block 219; Block Group 3: Block 301, Block 312B; Tract 0061: Block Group 1: Block 101, Block 102, Block 103, Block 130, Block 131B, Block 132B; Block Group 4: Block 401, Block 402, Block 413, Block 414, Block 415, Block 416, Block 417, Block 478, Block 479, Block 480, Block 481; MA1 *, MA2 *, MA3 *, MA4 *, Charlotte Pct. 102, MH1 *, MH2 *, MH3 *, OAK, PC1 *, PC2 *, PVL *, PR1, PR2, PR3, Charlotte Pct. 93 Part, SC1, SC2, Charlotte Pct. 100 *, Charlotte Pct. 105.

District 10: Alexander County; Avery County; Buncombe County: Broad River *, Fairview *, Limestone #2 *; Burke County: Drexel #3 *, Icard #1 *, Icard #2 *, Icard #3 *, Icard #4 *, Icard #5 *, Jonas Ridge *, Linville #1 *, Lovelady #1 *, Lovelady #2 *, Lovelady #3 *,

Lovelady #4 *, Lower Fork *, Silver Creek #2 *, Upper Creek *, Upper Fork *; Caldwell County: Globe *, Hudson #1 *, Hudson #2 *, Johns River *, Gamewell #1 *, Gamewell #2 *, Little River *, Lovelady-Rhodhiss *, Lovelady #2 *, Sawmills *, Lower Creek #2 *, Lower Creek #3 *, Mulberry *, North Catawba *, Patterson *, Wilson Creek *; Catawba County, Davie County: Calahaln township, Clarksville township, Farmington township; Forsyth County: Bethania #2 *, Clemmonsville #1 *, Clemmonsville #2 *, Clemmonsville #3 *, Lewisville #1 *, Lewisville #2 *, Lewisville #3 *, Old Richmond *, Old Town #3 *, South Fork #2 *, South Fork #3 *, Vienna #1 *, Vienna #2 *, Vienna #3 *, Calvary Baptist Church *, Jefferson Elementary School *, Messiah Moravian Church *, Sherwood Forest Elementary School *; Henderson County: Fletcher *, Hoopers Creek *, Park Ridge *; Iredell County: Bethany *, Chambersburg *: Tract 0606: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106A, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118A, Block 118B, Block 122, Block 145, Block 146, Block 147, Block 148; Block Group 2, Block Group 3: Block 301A, Block 302, Block 303A; Tract 0607: Block Group 2: Block 223E, Block 224A, Block 225A, Block 226A; Block Group 3: Block 327A, Block 330A; Block Group 4: Block 422A, Block 423A, Block 425A, Block 426, Block 429A, Block 430A, Block 431A, Block 434A, Block 436, Block 437; Block Group 5; Coddle Creek #4 *: Tract 0614: Block Group 8: Block 823, Block 824, Block 825, Block 826, Block 827A, Block 829, Block 830, Block 831, Block 832, Block 833A, Block 836A, Block 837A, Block 838, Block 840, Block 841, Block 842; Tract 0616: Block Group 3: Block 312, Block 313, Block 314; Block Group 4: Block 402, Block 403A, Block 403B, Block 403C, Block 403D, Block 404A, Block 404B, Block 404C, Block 405, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426A, Block 426B; Block Group 5: Block 501A, Block 501B, Block 502A, Block 502B, Block 503A, Block 503B, Block 504, Block 505, Block 506A, Block 508, Block 509, Block 510, Block 511; Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606, Block 607A, Block 607B, Block 607C, Block 607D, Block 607E, Block 608, Block 609A, Block 609C, Block 609D, Block 610A, Block 611A, Block 611B, Block 612A, Block 612B, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622, Block 623, Block 624, Block 625, Block 626, Block 627, Block 628A; Concord *, Davidson *, Eagle Mills *,

Fallstown *, New Hope *, Olin *, Sharpesburg *, Shiloh *, Statesville #1 *, Tract 0610: Block Group 4: Block 401A, Block 402A, Block 429A, Block 430, Block 431, Block 432, Block 433A, Block 434; Statesville #2 *, Statesville #4 *, Statesville #5 *: Tract 0603: Block Group 1: Block 105; Tract 0604: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 121, Block 122, Block 126, Block 127, Block 128, Block 132, Block 133, Block 134; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 207, Block 208, Block 209, Block 210, Block 216, Block 217, Block 218, Block 219, Block 220, Block 222, Block 223, Block 225; Block Group 3: Block 304, Block 305, Block 306A, Block 307A, Block 309A, Block 317A; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408A, Block 408B, Block 409A, Block 409B, Block 410A, Block 410B, Block 411, Block 412A, Block 412B, Block 413A, Block 413B, Block 414A, Block 414C, Block 414D, Block 414E, Block 415B, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426B, Block 427B, Block 429B, Block 430B, Block 431A, Block 431B, Block 432, Block 433, Block 434, Block 435, Block 436A, Block 436B; Tract 0605: Block Group 2: Block 201, Block 202B, Block 203, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 220, Block 221; Block Group 3: Block 325, Block 326; Tract 0610: Block Group 4: Block 409A, Block 435B, Block 437A, Block 443, Block 444, Block 445, Block 446; Tract 0611: Block Group 3: Block 321A, Block 322B, Block 323A, Block 323D, Block 324, Block 325, Block 326A, Block 326C; Turnersburg *, Union Grove *; Lincoln County, McDowell County: Brackett township, Crooked Creek township, Glenwood township, Higgins township, Montford Cove township; Mitchell County, Polk County: Cooper Gap township; Rutherford County: Camp Creek township: Tract 9601: Block Group 1: Block 102A, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 138, Block 139, Block 141, Block 142, Block 144; Tract 9602: Block Group 1: Block 101A, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141,

Block 142, Block 143, Block 144, Block 150A, Block 151, Block 180, Block 186, Block 191; Chimney Rock township, Tract 9602: Block Group 1: Block 107A, Block 108, Block 193, Block 194, Block 195, Block 196, Block 197; Golden Valley township, Green Hill township, Logan Store township, Morgan township, Wilkes County: Antioch *, Brushy Mountain *, Edwards No. 1 *, Edwards No. 2 *, Edwards No. 3 *, Elk No. 1 *, Jobs Cabin *, Lewis Fork *, Lovelace *, Mulberry No. 1 *, Mulberry No. 2 *, New Castle *, No. Wilkesboro-2 *, Reddies River-1 *, Reddies River-2 *, Rock Creek *, Somers *, Stanton *, Traphill No. 1 *, Traphill No. 2 *, Union *, Walnut Grove *, Wilkesboro No. 2 *; Yadkin County.

District 11: Buncombe County: Asheville #1 *, Asheville #2 *, Asheville #3 *, Asheville #4 *, Asheville #5 *, Asheville #6 *, Asheville #7 *, Asheville #8 *, Asheville #9 *, Asheville #10 *, Asheville #11 *, Asheville #12 *, Asheville #13 *, Asheville #14 *, Asheville #15 *, Asheville #16 *, Asheville #17 *, Asheville #18 *, Asheville #19 *, Asheville #20 *, Asheville #21 *, Beaverdam *, Biltmore *, Haw Creek *, Hazel #1 *, Hazel #2 *, Reynolds *, Woodfin *, Averys Creek *, Black Mountain #1 *, Black Mountain #2 *, Black Mountain #3 *, Black Mountain #4 *, Flat Creek *, French Broad *, Lower Hominy #1 *, Lower Hominy #2 *, Lower Hominy #3 *, Upper Hominy #1 *, Upper Hominy #2 *, Ivy #1 *, Ivy #2 *, Leicester *, West Buncombe *, Limestone #1 *, Riceville *, Swannanoa #1 *, Swannanoa #2 *, Reems Creek *, Weaverville #1 *, Weaverville #2 *, Sandy Mush *; Cherokee County; Clay County; Cleveland County: Holly Springs *, Mrb-Yo *, Shelby #1 *, Shelby #2 *, Shelby #3 *, Shelby #4 *, Shelby #5 *, Shelby #6 *, Shelby #7 *, Lattimore *, Polkville *, Lawndale *; Graham County; Haywood County; Henderson County: North Blue Ridge *, South Blue Ridge *, Clear Creek *, Bowmans Bluff *, Crab Creek *, Bat Cave *, Edneyville *, Green River *, Raven Rock *, Armory *, Flat Rock *, Grimesdale *, Hendersonville #1 *, Hendersonville #2 *, Hendersonville #3 *, Horse Shoe *, Laurel Park *, Long John Mountain *, Moores Grove *, Northeast *, Northwest *, Pisgah View *, Rugby *, Southeast *, Southwest *, Valley Hill *, Northwest Non-contiguous *, Brickton, Brickton Noncontiguous, Etowah *, North Mills River *, South Mills River *; Jackson County; McDowell County: Dysartsville township, Marion township, Nebo township, North Cove township, Old Fort township; Macon County; Madison County; Polk County: Columbus township, Greens Creek township, Saluda township, Tryon township, White Oak township; Rutherford County: Camp Creek township: Tract 9601: Block Group 1: Block 140A, Block 143; Block Group 2: Block 201A, Block 202, Block

203A, Block 207A; Tract 9602: Block Group 1: Block 145, Block 146, Block 147, Block 148, Block 149, Block 177, Block 178, Block 179A, Block 181, Block 182, Block 183A, Block 184A, Block 185, Block 187, Block 188, Block 189, Block 190, Block 192; Block Group 3: Block 301, Block 302A, Block 305A, Block 306A; Colfax township, Cool Spring township, Duncans Creek township, Gilkey township, High Shoals township, Rutherfordton township, Sulphur Springs township, Union township; Swain County; Transylvania County; Yancey County.

District 12: Alamance County: North Burlington *: Tract 0201.01: Block Group 1: Block 101; Tract 0202: Block Group 1: Block 101, Block 102, Block 103, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 113; Tract 0203: Block Group 1: Block 107, Block 108, Block 109, Block 110; Block Group 2: Block 201, Block 202, Block 208; Tract 0204: Block Group 3: Block 304A, Block 304B, Block 306A, Block 306B, Block 307A, Block 307B, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316A, Block 316B, Block 317, Block 318, Block 319, Block 337, Block 338, Block 339, Block 340; Block Group 4, Block Group 6; Tract 0205: Block Group 8: Block 804, Block 816, Block 817, Block 819; Burlington #7 *, Faucette *, Haw River *, Morton *, Pleasant Grove *; Davidson County: Abbotts Creek *: Tract 0601: Block Group 1: Block 115, Block 116, Block 117, Block 118, Block 119; Block Group 2: Block 210, Block 215, Block 216, Block 217, Block 229, Block 237, Block 244, Block 245, Block 246, Block 247, Block 249, Block 251; Block Group 9: Block 913, Block 914; Cotton *: Tract 0615: Block Group 4: Block 435B, Block 439C, Block 441B, Block 442B, Block 444B, Block 445B, Block 446B, Block 447, Block 448, Block 454, Block 455, Block 456; Tract 0618.01: Block Group 2: Block 209A, Block 209B, Block 210, Block 212A, Block 212B, Block 226; Block Group 3: Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330A, Block 330B; Block Group 4: Block 408, Block 409, Block 410, Block 411, Block 412, Block 413; Block Group 5: Block 537, Block 538, Block 539, Block 540, Block 546, Block 556, Block 557, Block 558; Lexington No. 1 *: Tract 0612: Block Group 3: Block 306, Block 308, Block 323, Block 376, Block 377, Block 378, Block 379, Block 380, Block 381C; Tract 0614: Block Group 1: Block 101B, Block 107C; Block Group 2: Block 227B, Block 228B; Block Group 3: Block 301B, Block 302, Block 305, Block 306B; Block Group 4: Block 401B, Block 401C, Block 401D, Block 402D, Block 402E, Block 403, Block 404, Block 405B,

Block 410B, Block 411D, Block 412B; Ward No. 1 *, Ward No. 2 *; Tract 0615: Block Group 1: Block 114, Block 115, Block 116, Block 117, Block 118, Block 141, Block 142, Block 143, Block 144, Block 155, Block 156; Block Group 4: Block 405, Block 406, Block 413, Block 414, Block 415, Block 416, Block 417, Block 421, Block 422; Tract 0616: Block Group 1: Block 104, Block 110, Block 111, Block 112; Ward No. 4 *, Ward No. 5 *, Ward No. 6 *: Tract 0614: Block Group 3: Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 321, Block 322, Block 337, Block 338, Block 339, Block 341; Tract 0615: Block Group 1: Block 119, Block 129, Block 130, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 145, Block 146, Block 147, Block 148, Block 149, Block 150, Block 151, Block 152, Block 153, Block 154; Block Group 2: Block 201, Block 202, Block 203; Thomasville No. 1 *, Thomasville No. 2 *, Thomasville No. 3 *, Thomasville No. 4 *: Tract 0608: Block Group 2: Block 202; Block Group 3: Block 303, Block 304, Block 305, Block 307, Block 308, Block 309, Block 310, Block 311A, Block 339A, Block 342A, Block 342B, Block 343, Block 344A, Block 345A; Tract 0609: Block Group 5: Block 516, Block 517; Block Group 9: Block 906A; Thomasville No. 7 *: Tract 0605: Block Group 1: Block 118, Block 120, Block 121, Block 122, Block 123, Block 124, Block 129; Block Group 9: Block 913, Block 914, Block 916, Block 918, Block 919, Block 920, Block 921, Block 922; Tract 0608: Block Group 3: Block 306B, Block 306C, Block 306D, Block 311B, Block 312, Block 313, Block 314B, Block 322, Block 323B, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 338, Block 339B, Block 340, Block 341B, Block 344B, Block 345B, Block 346, Block 347, Block 348; Thomasville No. 8 *: Tract 0606: Block Group 4: Block 408, Block 409, Block 410, Block 411, Block 412, Block 415, Block 416, Block 417; Block Group 9: Block 903, Block 904B, Block 958B; Durham County: Bragtown School *, Burton School *, C.C. Spaulding School *, Durham Co. Main Library *, Durham High School *, Forest Hills Club House *, Holloway Street School *, Holton Junior High School *, Lakewood School *, Moose Lodge *, Morehead School *, North Durham School Building *, Pearson School *, Pearsontown School *, R.N. Harris *, Shephard Junior H.S. *, St. Stephens/Parish Hall *: Tract 0020.07: Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 407, Block 408, Block 409; Watts Street School *, Weaver Street Community Center *, White Rock Baptist Church *, Y.E. Smith School *, Campus Precinct *, Homestead Heights Baptist *, Carrington Junior H.S. *, Northern H.S. *,

DNOE VALLEY SCHOOL NONCONTIGUOUS *, Mangum School *, Rougemont United Methodist *, Gorman Ruritan Club *; Forsyth County: Abbotts Creek #1 *, Abbotts Creek #2 *, Broadbay #1 *, Broadbay #2 *, Ashley Middle School *, Carver High School *, East Winston Library *, Forest Pk. Elementary School *, 14th Street Recreation Center *, Happy Hill Recreation Center *, Kennedy Middle School *, Lowrance Middle School *, M. L. King Recreation Center *, Mt. Sinai Church *, St. Andrews United Methodist *, Winston Lake Family YMCA *; Gaston County: Bessemer City #2 *: Tract 0318: Block Group 1: Block 101A; Firestone *: Tract 0329: Block Group 1: Block 106, Block 107, Block 108; Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218; Tract 0330: Block Group 1: Block 121, Block 122, Block 123, Block 124, Block 125, Block 130, Block 132; Flint Groves *: Tract 0313.02: Block Group 2: Block 218A; Tract 0314: Block Group 1: Block 120; Block Group 4: Block 417; Tract 0321: Block Group 3: Block 305, Block 318, Block 319, Block 321, Block 322, Block 323, Block 324, Block 334; Health Center *: Tract 0315: Block Group 6: Block 601, Block 606, Block 607, Block 608, Block 609, Block 611, Block 612, Block 613; Tract 0319: Block Group 2: Block 214, Block 215, Block 221, Block 222; Block Group 3; Highland *, Myrtle *: Tract 0318: Block Group 1: Block 101B, Block 101D, Block 101E, Block 109, Block 110; Block Group 2, Block Group 3, Block Group 4, Block Group 5: Block 518, Block 519, Block 520, Block 521, Block 522, Block 526, Block 527, Block 528, Block 529, Block 530; Tract 0331: Block Group 1: Block 104, Block 105B; Ranlo *: Tract 0313.02: Block Group 2: Block 218B, Block 218C; Block Group 4: Block 413D, Block 414B; Tract 0321: Block Group 3: Block 338D; Woodhill *: Tract 0320: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 108, Block 109, Block 111, Block 112, Block 113, Block 114, Block 115, Block 121, Block 122, Block 123; Belmont #2 *: Tract 0323.01: Block Group 1: Block 101, Block 105, Block 107B, Block 108B, Block 109, Block 110A, Block 110B, Block 121B; Tract 0323.02: Block Group 1: Block 101A, Block 103, Block 104; Block Group 3: Block 319; Belmont #3 *: Tract 0312: Block Group 1: Block 116C; Lowell *: Tract 0313.02: Block Group 3: Block 353A, Block 354, Block 355, Block 356, Block 357; Block Group 4: Block 411, Block 413B, Block 417, Block 418; Tract 0322: Block Group 1: Block 104A, Block 108, Block 109; McAdenville *: Tract 0310.01: Block Group 2: Block 219A, Block 219B, Block 220A, Block 220B; Tract 0313.02: Block Group 3: Block 331B, Block 331C, Block 332, Block 353B; Tract 0323.01: Block Group 1:

Block 112B; Guilford County: GB-01 *, GB-02 *, GB-03 *, GB-04 *, GB-05 *, GB-06 *, GB-07 *, GB-08 *, GB-09 *, GB-15 *: Tract 0115: Block Group 1: Block 103, Block 104, Block 105, Block 111, Block 112, Block 113; Block Group 2: Block 201, Block 202, Block 203Y, Block 203Z, Block 206, Block 207, Block 208, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218; Block Group 3, Block Group 4, Block Group 5; Tract 0116.01: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 107; Block Group 2: Block 202, Block 203, Block 204, Block 205, Block 214, Block 218, Block 221; Tract 0126.04: Block Group 3: Block 303, Block 304; GB-19 *, Tract 0154: Block Group 6: Block 605A; GB-23 *, GB-24A *, GB-25 *, GB-26A *, GB-29 *, GB-30 *, GB-33 *, GB-36 *, GB-42 *, GB-44 *, GB-45 *, Tract 0128.03: Block Group 2: Block 217A, Block 227A, Block 228, Block 229, Block 230Y, Block 230Z, Block 231, Block 234A; HP-03 *, HP-05 *, HP-06 *, HP-07 *, HP-11 *, HP-12 *, HP-15 *, HP-17 *, HP-22 *, Gibsonville *, Jamestown-1 *: Tract 0164.02: Block Group 4: Block 401Y, Block 403B, Block 404, Block 411Y, Block 411Z, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 427, Block 428, Block 429, Block 430, Block 431, Block 432, Block 433, Block 436, Block 437, Block 438B, Block 439B, Block 440, Block 441, Block 442; Tract 0165.01: Block Group 2: Block 212C, Block 213A; Jamestown-2 *: Tract 0126.09: Block Group 4: Block 414C; Tract 0165.01: Block Group 2: Block 212D, Block 213B; Tract 0165.02: Block Group 2: Block 206, Block 207, Block 208, Block 209, Block 210, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217A, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 225, Block 226, Block 227; Block Group 3: Block 301, Block 302, Block 312, Block 313, Block 314; Block Group 4: Block 407B; North Jefferson *: Tract 0111.02: Block Group 4: Block 422B; Tract 0127.06: Block Group 2: Block 201B; Tract 0128.03: Block Group 1: Block 107B; Block Group 2: Block 201C, Block 202C, Block 205B, Block 206, Block 207, Block 213, Block 214, Block 217B, Block 224, Block 234B, Block 235; Block Group 3: Block 301, Block 303, Block 306; Block Group 9: Block 901, Block 902B, Block 904, Block 905B, Block 906; Tract 0153: Block Group 1: Block 115A, Block 117, Block 118A, Block 120A, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132; Block Group 3: Block 303A, Block 309, Block 310, Block 311, Block 312, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324; North Sumner *, South Washington *: Tract 0152: Block Group 1: Block 110, Block 111, Block 115, Block

122, Block 123, Block 124, Block 131, Block 132B, Block 133B, Block 134B, Block 136B; GB-24B *, GB-26B *, GB-35C *; Iredell County: Barringer *: Tract 0612: Block Group 3: Block 317A, Block 317C, Block 321A, Block 322A, Block 323A; Block Group 4: Block 401, Block 402A, Block 402B, Block 402F, Block 410A, Block 410C, Block 411A, Block 412A, Block 412C, Block 412D, Block 413, Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422A, Block 422B, Block 423A, Block 423B, Block 424, Block 425; Block Group 5: Block 501C, Block 507A, Block 508, Block 509, Block 510, Block 511; Block Group 9: Block 901A, Block 902A, Block 904A; Tract 0613: Block Group 1: Block 101A; Block Group 2: Block 201A, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 219, Block 220A, Block 221A, Block 222, Block 223, Block 224A; Block Group 3: Block 309A, Block 310A, Block 312A, Block 313, Block 314A, Block 315A, Block 316A, Block 322, Block 323; Block Group 4: Block 407A, Block 408; Chambersburg *: Tract 0606: Block Group 3: Block 323D, Block 324A, Block 325A, Block 327, Block 328, Block 329, Block 330A, Block 331, Block 332; Block Group 4: Block 401, Block 402, Block 403, Block 404, Block 405, Block 406, Block 407, Block 408B, Block 416A, Block 416C, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426, Block 427; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506A, Block 506B, Block 507A, Block 507C, Block 517A, Block 518, Block 519, Block 520; Tract 0607: Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606, Block 607, Block 608, Block 609, Block 612; Tract 0613: Block Group 3: Block 310B, Block 311A, Block 312B, Block 317; Block Group 4: Block 407B; Coddle Creek #2 *, Coddle Creek #4 *: Tract 0614: Block Group 8: Block 820, Block 821, Block 822, Block 843, Block 844, Block 845, Block 846, Block 847, Block 852; Tract 0616: Block Group 2: Block 214; Block Group 3: Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 315, Block 316; Block Group 4: Block 401A, Block 401B, Block 401C, Block 401D, Block 401E; Block Group 5: Block 512, Block 513A, Block 513B, Block 513C, Block 513D, Block 513E, Block 514; Block Group 7: Block 714, Block 718, Block 719; Cool Springs *, Statesville #3 *, Statesville #5 *: Tract 0604: Block Group 1: Block 118, Block 119, Block 120, Block 123, Block 124, Block 125, Block 129, Block 130, Block 131, Block 135, Block 136, Block 137, Block 138; Block Group 2: Block 205, Block 206, Block 214, Block 215, Block 221, Block 224; Block Group 3: Block 301; Statesville #6 *; Mecklenburg

County: Charlotte Pct. 2 *, Charlotte Pct. 3, Charlotte Pct. 9 *: Tract 0003: Block Group 1: Block 101, Block 102, Block 106, Block 108; Block Group 2; Tract 0004: Block Group 5: Block 508, Block 513, Block 518, Block 519, Block 520, Block 521; Tract 0035: Block Group 3: Block 303, Block 304; Block Group 4: Block 413; Charlotte Pct. 11 *, Charlotte Pct. 12 *, Charlotte Pct. 13 *, Charlotte Pct. 14 *, Charlotte Pct. 15 *: Tract 0010: Block Group 1: Block 104, Block 106; Block Group 2: Block 209, Block 210, Block 211, Block 217, Block 219, Block 220; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 310, Block 318, Block 319; Tract 0011: Block Group 1: Block 111, Block 118, Block 119; Block Group 4: Block 405, Block 406, Block 407, Block 409, Block 411, Block 412; Charlotte Pct. 16 *, Charlotte Pct. 17 *, Charlotte Pct. 22 *, Charlotte Pct. 23 *, Charlotte Pct. 24 *, Charlotte Pct. 25 *, Charlotte Pct. 26 *, Charlotte Pct. 27 *, Charlotte Pct. 28 *, Charlotte Pct. 30 *, Charlotte Pct. 31 *, Charlotte Pct. 39 *, Charlotte Pct. 40 *, Charlotte Pct. 41 *, Charlotte Pct. 42 *, Charlotte Pct. 43 *, Charlotte Pct. 46 *, Charlotte Pct. 52 *, Charlotte Pct. 53 *, Charlotte Pct. 54 *, Charlotte Pct. 55 *, Charlotte Pct. 56 *, Charlotte Pct. 60, Charlotte Pct. 77 *: Tract 0038.04: Block Group 2; Tract 0058.06: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106A, Block 107, Block 108A, Block 109, Block 110, Block 111A, Block 124A, Block 125, Block 126, Block 127, Block 128A, Block 128B, Block 129, Block 130; Tract 0059.03: Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 343, Block 386, Block 387; Charlotte Pct. 78 *, Charlotte Pct. 82 *, Charlotte Pct. 97 *: Tract 0058.07: Block Group 1, Block Group 2: Block 201A, Block 201B, Block 202B; Charlotte Pct. 98 *, BER *: Tract 0059.01: Block Group 2: Block 208, Block 209, Block 221B, Block 225, Block 226, Block 227, Block 228, Block 229; Block Group 3: Block 312, Block 313, Block 314; COR *: Tract 0062.02: Block Group 2: Block 201A, Block 201B, Block 202A, Block 202B, Block 204A, Block 204B, Block 204C, Block 205A, Block 205B, Block 208, Block 209, Block 217, Block 218, Block 219, Block 220, Block 221; Tract 0064: Block Group 5: Block 501A, Block 501B, Block 501C, Block 501E, Block 501F, Block 502, Block 503, Block 522, Block 523A, Block 523B, Block 524B, Block 525; Block Group 6: Block 601A, Block 601B, Block 601C, Block 601E, Block 601G, Block 604, Block 605, Block 607, Block 608, Block 609; DAV *: Tract 0062.01: Block Group 4: Block 401A, Block 402C; Tract 0064: Block Group 1, Block Group 2: Block 201, Block 202, Block 203A, Block 203B, Block 203C, Block 204A, Block 204B, Block 205, Block 206, Block 221; Block Group 3: Block 302, Block 303; Block Group 6: Block 601D, Block

601F, Block 602; HUN *: Tract 0062.02: Block Group 2: Block 225, Block 226, Block 227, Block 228, Block 248, Block 249, Block 250, Block 251, Block 252, Block 294, Block 295A, Block 295B, Block 295C, Block 295D, Block 296, Block 297; Block Group 3: Block 301, Block 302A, Block 302B, Block 303A, Block 303B, Block 334, Block 335A, Block 335B, Block 336, Block 337, Block 338, Block 339, Block 340, Block 341, Block 342, Block 348, Block 349, Block 350, Block 351; Tract 0063: Block Group 1: Block 115, Block 116; Block Group 3: Block 305A, Block 305C, Block 306, Block 307, Block 312, Block 313, Block 314, Block 315B, Block 318A, Block 318B, Block 319, Block 320, Block 321, Block 322; Block Group 4: Block 403A, Block 403B, Block 403C, Block 403D, Block 447, Block 448; LC2: Tract 0054.01: Block Group 3: Block 304, Block 305, Block 306, Block 313, Block 321, Block 322, Block 323, Block 324, Block 330; Block Group 4: Block 401; Tract 0061: Block Group 1: Block 104A, Block 104B, Block 105, Block 106, Block 107, Block 108A, Block 109, Block 110A, Block 110B, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127A, Block 127B, Block 127C, Block 128A, Block 128B, Block 128C, Block 129A, Block 129B, Block 133, Block 134, Block 135; LC1 - South: Tract 0061: Block Group 4: Block 403, Block 404, Block 405, Block 406, Block 407, Block 408, Block 412, Block 418, Block 419; Tract 0062.02: Block Group 3: Block 331, Block 332, Block 343, Block 344, Block 347, Block 352; MC2: Tract 0054.01: Block Group 3: Block 301, Block 302, Block 303, Block 307, Block 314, Block 317, Block 319, Block 328; Tract 0054.02: Block Group 1: Block 106A, Block 129B, Block 129C, Block 129E, Block 130; Tract 0055.01: Block Group 2: Block 217A; Block Group 3: Block 312A, Block 313, Block 314, Block 315, Block 316; Tract 0061: Block Group 1: Block 131A, Block 132A; Charlotte Pct. 16 Part, MC1 part, XMC2 Noncontiguous: Charlotte Pct. 104; Orange County: Carr *: Tract 0108: Block Group 1: Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127, Block 128, Block 129, Block 155, Block 156, Block 157, Block 194, Block 195, Block 196, Block 197; Cedar Grove *: Tract 0108: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140, Block 141, Block 142, Block 143, Block 144, Block 146, Block 148, Block 191, Block 192, Block 193; Block Group 2: Block 216, Block 217, Block 218; Tolars *: Tract 0108:

Block Group 2: Block 211A, Block 212, Block 213, Block 214, Block 215, Block 219, Block 220, Block 221, Block 222, Block 223A, Block 224A, Block 254A, Block 255, Block 256, Block 257, Block 258, Block 259A, Block 260A, Block 261A, Block 262, Block 263, Block 264, Block 265, Block 266, Block 267, Block 268, Block 269, Block 270, Block 275, Block 276, Block 277A, Block 285A; Caldwell *: Tract 0108: Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211B, Block 223B, Block 224B, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235, Block 236, Block 237, Block 238, Block 239A, Block 239B, Block 240, Block 241, Block 242, Block 243, Block 244, Block 245, Block 246, Block 247, Block 248, Block 249, Block 250, Block 251, Block 252, Block 253, Block 254B, Block 259B, Block 260B, Block 261B, Block 277B, Block 284B, Block 285B, Block 286, Block 287, Block 288, Block 289, Block 290, Block 291, Block 292, Block 293, Block 294, Block 295, Block 296A, Block 296B, Block 297A, Block 297B; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307B, Block 319B, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335, Block 336, Block 337, Block 341, Block 370, Block 371, Block 372, Block 373, Block 374B; Tract 0109: Block Group 2: Block 201B, Block 201C, Block 201D, Block 201E, Block 202, Block 203, Block 204B; Rowan County: Franklin *: Tract 0505: Block Group 1: Block 101E; Tract 0513.01: Block Group 2: Block 208B; Block Group 3: Block 302; Tract 0513.02: Block Group 3: Block 301, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 321C, Block 321D, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334; Tract 0519: Block Group 2: Block 225A, Block 248A, Block 249, Block 250; East Spencer *, Milford Hills *, Spencer *, Trading Ford, West Innes *: Tract 0505: Block Group 2: Block 211, Block 212, Block 213; Block Group 3: Block 311, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327, Block 328, Block 329, Block 330, Block 331, Block 332, Block 333, Block 334, Block 335; Tract 0513.02: Block Group 3: Block 321A; East Ward II *, North Ward I *, North Ward II *: Tract 0505: Block Group 1: Block 101B, Block 101C, Block 104, Block 107A, Block 110; Tract 0506: Block Group 1: Block 104A, Block 105, Block 106, Block 107, Block 112, Block 113,

Block 114, Block 115, Block 116, Block 119, Block 120, Block 121, Block 122, Block 123, Block 132; West Ward III *, Trading Ford Noncontiguous A, Scotch Irish *, Unity *.

~~(b) The name and boundaries of townships specified in this section are as they were legally defined and in effect as of January 1, 1980, and recognized in the 1980 United States Census.~~

(b) The names and boundaries of townships, precincts (voting tabulation districts), tracts, block groups, and blocks, specified in this section are as they were legally defined and recognized in the 1990 U.S. Census, except as provided in subsection (c) of this section. Boundaries are as shown on the IVTD Version of the United States Bureau of the Census 1990 TIGER Files, with such modifications as made by the Legislative Services Office and shown on its computer database as of May 1, 1991, to reflect census blocks divided by prior district boundaries, and precincts added or modified as outlined in subsection (c) of this section.

(c) For Guilford County, precinct boundaries for High Point Precincts 20, 23, and 24 are as modified by the Guilford County Board of Elections and shown on the Legislative Services Office computer database as of May 1, 1991.

For Mecklenburg County, precinct boundaries are as altered by the Mecklenburg County Board of Elections as reported to the Legislative Services Office and shown on the Legislative Services Office computer database as of May 1, 1991.

For Wake County:

(1) St. Marys Precinct #7 is as created by the Wake County Board of Elections out of St. Marys Precinct #4;

(2) Raleigh 01-27 Part is an area reported by the Bureau of the Census as part of Raleigh 01-23 but has been put by the Wake County Board of Elections in Raleigh 01-27; and

(3) VTD ZZZZ has been assigned to the appropriate parts of Wake Forest #1 and Wake Forest #2,

all as shown on the Legislative Services Office computer database as of May 1, 1991.

For Anson, Bertie, Camden, Caswell, Franklin, Gates, Greene, Hertford, Hoke, Lee, Lincoln, Martin, Mitchell, Northampton, Pasquotank, Perquimans, Person, Tyrrell, Vance, Warren, and Yadkin Counties, precincts are as shown on maps on file with the Legislative Services Office as of May 1, 1991, except that:

(1) In Anson County, Lanesboro #1 and Lanesboro #2 are listed together as Lanesboro #1 and #2;

(2) In Vance County, where West Henderson II is not contiguous, the northerly part is listed as West Henderson IIA and the southerly part as West Henderson IIB;

(3) In Perquimans County, computer VTD Code 0005 (Tract 9801, Block 550A) is actually part of Belvidere Precinct and is districted with it notwithstanding any description above;

(4) In Greene County, Snow Hill Town Satellite is Tract 9503, Block 301A which is a part of Snow Hill Town Precinct entirely surrounded by Sugg Precinct and is districted with Sugg Precinct notwithstanding any description above;

(5) In Greene County, Snow Hill Town Sat B is Tract 9503, Block 224B which is a part of Snow Hill Town Precinct entirely surrounded by Snow Hill Rural Precinct and is districted with Snow Hill Rural Precinct notwithstanding any description above;

(6) In Mecklenburg County, Precinct XMC2 Noncontiguous is Tract 55.01, Block 303C, and is districted with Precinct MC1 notwithstanding any description above;

(7) In Martin County, any listing of VTDs not defined consists of Tract 9705, Block 413 (which is in Poplar Point Precinct), Tract 9704, Block 202 (which is in Goose Nest Precinct), and Tract 9706, Block 168A (which is in Robersonville #2 Precinct), and those blocks are districted with those respective precincts regardless of any listing above;

(8) In New Hanover County, Tract 123.98, Blocks 307B, 308A, 309, 310A, 311A, and 312A, listed by the Census Bureau as part of VTD ZZZZ, are districted by this section as part of Wilmington #2.

If any precinct or township boundaries are changed, such changes shall not change the boundaries of the Congressional Districts, which shall remain the same.

In the case where any individual blocks are listed above, the district allocation of unlisted water blocks shall be as found on maps and statistical reports of the districts on file with the Secretary of State.

(c1) In this section:

(1) Wake County Tract 0510, Block 301 is shown on the computer database as part of Raleigh 01-23 * when it is in fact correctly shown on the Board of Elections map as part of Raleigh 01-27;

(2) Vance County Tract 9606 Blocks 248 and 227A are shown on the computer database as part of Hilltop, when they are in fact correctly shown on the Board of Elections map as

part of North Henderson II and East Henderson I, respectively.;

(3) Lincoln County Tract 0706.98 Block 307 is shown on the computer database as part of North Brook I/II when it is in fact correctly shown on the Board of Elections map as part of North Brook III;

(4) Mecklenburg County Tract 0044 Block 906F is shown on the computer database as part of OAK when it is fact correctly shown on the Board of Elections map as part of Charlotte Pct. 16;

(5) Granville County Tract 9703, Block 330B is districted with Corinth * Precinct notwithstanding any description above.

(c2) If any precinct or township is listed in a district in this section, with a comma after the name of the precinct or township, followed by a listing of census geography within that precinct, and other parts of that precinct or township are not listed in another district, that precinct or township is in fact whole within the district with which it is listed.

(d) If this section does not specifically assign any area within North Carolina to a district, and the area is:

(1) Entirely surrounded by a single district, the area shall be deemed to have been assigned to that district;

(2) Contiguous to two or more districts, the area shall be deemed to have been assigned to that district which contains the least population according to the 1990 United States Census; or

(3) Contiguous to only one district and to another state or the Atlantic Ocean, the area shall be deemed to have been assigned to that district."

Sec. 2. Chapter 601, Session Laws of 1991, is repealed.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of January, 1992.

H.B. 15 **CHAPTER 8**

AN ACT TO MAKE A TECHNICAL CORRECTION TO LEGISLATION ENACTED BY THE 1991 GENERAL ASSEMBLY BY CORRECTING A STATUTORY REFERENCE.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 486 of the 1991 Session Laws is amended by deleting "G.S. 15A-1353(d)" and substituting "G.S. 15A-1352(d)".

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of January, 1992.

H.B. 1 **CHAPTER 9**

AN ACT TO PROVIDE FOR FURTHER ALTERATION OF THE 1992 ELECTION TIMETABLE.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 1, Session Laws of the Extra Session of 1991, reads as rewritten:

"Sec. 2. Notices of candidacy shall be filed with the appropriate board of elections no earlier than 12:00 noon on Monday, February 10, 1992, and no later than 12:00 noon on Monday, March 2, 1992, except that if a plan for districting the:

(1) North Carolina House of Representatives is approved after Thursday, February 6, 1992, but before Saturday, February 15, 1992, notices of candidacy for the North Carolina House of Representatives shall be filed with the appropriate board of elections no earlier than 12:00 noon on Monday, February 17, 1992, and no later than 12:00 noon on Monday, March 2, 1992;

(2) North Carolina Senate is approved after Thursday, February 6, 1992, but before Saturday, February 15, 1992, notices of candidacy for the North Carolina Senate shall be filed with the appropriate board of elections no earlier than 12:00 noon on Monday, February 17, 1992, and no later than 12:00 noon on Monday, March 2, 1992; or

(3) United States House of Representatives is approved after Thursday, February 6, 1992, but before Saturday, February 15, 1992, notices of candidacy for the United States House of Representatives shall be filed with the appropriate board of elections no earlier than 12:00 noon on Monday, February 17, 1992, and no later than 12:00 noon on Monday, March 2, 1992."

Sec. 2. The Executive Secretary-Director of the State Board of Elections shall prepare and distribute to the county boards of elections a Revised Primary Election Timetable - 1992, setting out the applicable filing period for candidates along with all other pertinent dates relative to the primary election timetable for primary elections as modified by this act.

Sec. 3. This act is effective upon ratification, but shall only be enforced as provided by section 5 of the Voting Rights Act of 1965.

In the General Assembly read three times and ratified this the 3rd day of February, 1992.

EXTRA SESSION 1991

RESOLUTIONS

S.J.R. 6 **RESOLUTION 1**

A JOINT RESOLUTION SETTING THE TIME FOR ADJOURNMENT OF THE 1991 EXTRA SESSION OF THE GENERAL ASSEMBLY TO RECONVENE IN 1992.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. At 12:00 noon on Monday, December 30, 1991, the Senate and House of Representatives shall adjourn the 1991 Extra Session to reconvene at 12:00 noon on Monday, January 13, 1992.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of December, 1991.

H.J.R. 16 **RESOLUTION 2**

A JOINT RESOLUTION SETTING THE TIME FOR ADJOURNMENT OF THE 1991 EXTRA SESSION OF THE GENERAL ASSEMBLY TO RECONVENE IN 1992.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. At 7:00 p.m. on Tuesday, January 14, 1992, the Senate and House of Representatives shall adjourn the 1991 Extra Session to reconvene at 1:00 p.m. on Wednesday, January 22, 1992.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of January, 1992.

S.J.R. 8 **RESOLUTION 3**

A JOINT RESOLUTION SETTING THE TIME FOR ADJOURNMENT OF THE 1991 EXTRA SESSION OF THE GENERAL ASSEMBLY TO RECONVENE IN 1992.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. At 5:00 p.m. on Friday, January 24, 1992, the Senate and House of Representatives shall adjourn the 1991 Extra Session to reconvene at 12:00 noon on Monday, February 3, 1992.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of January, 1992.

H.J.R. 19 **RESOLUTION 4**

A JOINT RESOLUTION PROVIDING FOR ADJOURNMENT OF THE 1991 EXTRA SESSION OF THE GENERAL ASSEMBLY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The House of Representatives and Senate constituting the Extra Session of 1991 are adjourned at 6:30 p.m. on Monday, February 3, 1992, to reconvene at 10:00 a.m. on Monday February 17, 1992. Provided that if plans for districting the North Carolina House of Representatives, North Carolina Senate, and United States House of Representatives are all approved before Saturday, February 15, 1992, the 1991 Extra Session of the General Assembly is adjourned *sine die* by that action and shall not reconvene.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 3rd day of February, 1992.

REGULAR SESSION 1992

S.B. 290 **CHAPTER 762**

AN ACT TO REDEFINE "EMPLOYEE" AND "EMPLOYER" IN THE LOCAL GOVERNMENTAL EMPLOYEE'S RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 128-21(10) reads as rewritten:

"(10) 'Employee' shall mean any person who is regularly employed in the service of and whose salary or compensation is paid by the employer as defined in subdivision (11) of this section, ~~including employees of any light and water board or commission, and full-time employees of any housing authority created and operating under and by virtue of Chapter 157 of the General Statutes,~~ whether employed or appointed for stated terms or otherwise, except teachers in the public schools and except such employees who hold office by popular election as are not required to devote a major portion of their time to the duties of their office. ~~'Employee' shall also mean all full-time, paid firemen who are employed by any fire department that serves a city or county or any part thereof and that is supported in whole or in part by municipal or county funds.~~ In all cases of doubt the Board of Trustees shall decide who is an employee."

Sec. 2. G.S. 128-21(11) reads as rewritten:

"(11) 'Employer' shall mean any county, incorporated city or town, ~~the light and water board or commission of any~~

~~incorporated city or town,~~ the board of alcoholic control of any county or incorporated city or town, the North Carolina League of Municipalities, and the State Association of County ~~Commissioners,~~ Commissioners. ~~county and/or city airport authorities, housing authorities created and operated under and by virtue of Chapter 157 of the General Statutes, redevelopment commissions created and operated under and by virtue of Article 37, Chapter 160 of the General Statutes, county and/or city or regional libraries, county and/or city boards of health, district boards of health, any other separate, local governmental entity, and the Retirement System. 'Employer' shall also mean any fire department that serves a city or county or any part thereof, and that is supported in whole or in part by municipal or county funds.~~ 'Employer' shall also mean any separate, juristic political subdivision of the State as may be approved by the Board of Trustees upon the advice of the Attorney General."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of June, 1992.

H.B. 1345 **CHAPTER 763**

AN ACT TO AUTHORIZE BLADEN, CUMBERLAND, AND HOKE COUNTIES TO ENTER INTO LONG-TERM CONTRACTS FOR DISPOSAL OF SOLID WASTE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-299.6 reads as rewritten:

"*§ 153A-299.6. Applicability.*

This Part shall apply only to Anson County, Beaufort County, Bladen County, Brunswick County, Carteret County, Columbus County, Craven County, Cumberland County, Davie County, Edgecombe County, Gaston County, Hoke County, Hyde County, Lenoir County, Martin County, Montgomery County, New Hanover County, Pamlico County, Pitt County, Richmond County, Rowan County, Rutherford County, Sampson County, Washington County, Wayne County, Wilson County, and to any and all incorporated cities and towns situated within the foregoing counties."

Sec. 2. Any contract for solid waste disposal entered into by Bladen, Cumberland, and Hoke Counties which would have been

lawful if this act had been in effect at the time the contract was entered into is ratified.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of June, 1992.

S.B. 607 **CHAPTER 764**

AN ACT TO PERMIT CERTAIN COUNTIES TO USE PROPERTY TAX FUNDS FOR HOUSING REHABILITATION PROGRAMS ALREADY AUTHORIZED BY LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-149(c)(15a) reads as rewritten:

"(15a) Housing Rehabilitation. -- To provide for housing rehabilitation programs authorized by G.S. 153A-376, including personnel costs related to the planning and administration of ~~housing rehabilitation programs authorized by G.S. 153A-376,~~ these programs. This subdivision ~~only applies~~ applies only to counties with a population of 400,000 or more, according to the most recent decennial federal census."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1992.

H.B. 277 **CHAPTER 765**

AN ACT TO CLARIFY AND FURTHER REGULATE OTHER BUSINESS AUTHORITY UNDER THE NORTH CAROLINA CONSUMER FINANCE ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 53-172 reads as rewritten:

"*§ 53-172. Conduct of other business in same office.*

(a) No licensee shall conduct the business of making loans under this Article within any office, suite, room, or place of business in which any other business is solicited or ~~engaged in unless, in the opinion of the Commissioner, such other business would not be contrary to the best interests of the borrowing public and is authorized by the Commissioner in writing.~~ transacted.

~~If the conduct of any other business authorized by the Commissioner should, in the opinion of the Commissioner, prove contrary to the best interests of the borrowing public, the authority~~

~~granted to conduct such business shall be withdrawn in writing by the Commissioner.~~

Installment paper dealers as defined in G.S. 105-83, and the collection by a licensee of loans legally made in North Carolina, or another state by another government regulated lender or lending agency, shall not be considered as being any other business within the meaning of this section.

(b) Notwithstanding subsection (a) of this section, the Commissioner may authorize in writing the solicitation and transaction of other business in any office, suite, room, or place of business in which a licensee is conducting the business of making loans if the Commissioner determines that the other business would not be contrary to the best interests of the borrowing public.

(c) The Commissioner may require, consistent with the provisions of 12 C.F.R. Part 226 (Regulation Z) of the federal Truth-In-Lending Act, the other business authorized under subsection (b) of this section to:

(1) Disclose the cost of consumer credit of goods and services sold; and

(2) Provide the purchaser with a reasonable cancellation period for goods and services purchased.

(d) No licensee shall:

(1) Make the purchase of goods and services sold under the authorization of subsection (b) of this section a condition of making a loan; or

(2) Consider the borrower's decision to purchase, or not purchase, goods and services sold under the authorization of subsection (b) of this section a factor in its approval or denial of credit, or in its determination of the amount of or terms of credit for the borrower.

(e) The licensee shall notify the borrower in writing that the purchase of the goods and services offered under the authorization under subsection (b) of this section is voluntary and that the borrower's decision whether or not to purchase the goods and services will not affect the licensee's decision to grant credit or the amount of or terms of the credit granted.

(f) If, at any time, the Commissioner has reason to believe that the conduct of any other business authorized under this section is contrary to the best interests of the borrowing public, the Commissioner shall hold a hearing pursuant to Chapter 150B of the General Statutes to determine whether or not to revoke the authority to conduct that business. The Commissioner shall revoke the authority to conduct any other business if he or she finds that the conduct of any other

business authorized under this section is contrary to the best interests of the borrowing public.

(g) This section shall not be construed as authorizing the collection of any loans or charges in violation of the prohibitions contained in G.S. 53-190.

(h) The books, records, and accounts relating to loans shall be kept in such manner as the Commissioner of Banks prescribes as to delineate clearly the loan business from any other business authorized by the Commissioner."

Sec. 2. G.S. 53-178 reads as rewritten:

"*§ 53-178. No further charges; no splitting contracts; certain contracts void.*

No further or other charges or insurance commissions shall be directly or indirectly contracted for or received by any licensee except those specifically authorized by this Article or by the Commissioner under G.S. 53-172. No licensee shall divide into separate parts any contract made for the purpose of or with the effect of obtaining charges in excess of those authorized by this Article. All balances due to a licensee from any person as a borrower or as an endorser, guarantor or surety for any borrower or otherwise, or due from any husband or wife, jointly or severally, shall be considered a part of any loan being made by a licensee to such person for the purpose of computing interest or charges."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of June, 1992.

S.B. 289 **CHAPTER 766**

AN ACT TO REMOVE THE AGE LIMIT FOR RESTORATION TO MEMBERSHIP FOR A DISABILITY BENEFICIARY IN THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM AND THE TEACHERS' AND STATE EMPLOYEES RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 128-27(e) reads as rewritten:

"(e) Reexamination of Beneficiaries Retired on Account of Disability. --Once each year during the first five years following retirement of a member on a disability allowance, and once in every three-year period thereafter, the Board of Trustees may, and upon his application shall, require any disability beneficiary who has not yet attained the age of 60 years to undergo a medical examination, such examination to be made at the place of residence of said beneficiary or

other place mutually agreed upon, by the physician or physicians designated by the Board of Trustees. Should any disability beneficiary who has not yet attained the age of 60 years refuse to submit to at least one medical examination in any such year by a physician or physicians designated by the Board of Trustees, his allowance may be discontinued until his withdrawal of such refusal, and should his refusal continue for one year, all his rights in and to his pension may be revoked by the Board of Trustees.

(1) The Board of Trustees shall determine whether a disability beneficiary is engaged in or is able to engage in a gainful occupation paying more than the difference, as hereinafter indexed, between his disability retirement allowance and the gross compensation earned as an employee during the 12 consecutive months in the final 48 months of service prior to retirement producing the highest gross compensation excluding any compensation received on account of termination. If the disability beneficiary is earning or is able to earn more than the difference, the portion of his disability retirement allowance not provided by his contributions shall be reduced to an amount which, together with the portion of the disability retirement allowance provided by his contributions and the amount earnable by him shall equal the amount of his gross compensation prior to retirement. This difference shall be increased on January 1 each year by the ratio of the Consumer Price Index to the Index one year earlier, calculated to the nearest tenth of a percent (1/10 of 1%). Should the earning capacity of the disability beneficiary later change, the portion of his disability retirement allowance not provided by his contributions may be further modified. In lieu of the reductions on account of a disability beneficiary earning more than the aforesaid difference, he may elect to convert his disability retirement allowance to a service retirement allowance calculated on the basis of his average final compensation and creditable service at the time of disability retirement and his age at the time of conversion to service retirement. This election is irrevocable.

The provisions of this subdivision shall not apply to beneficiaries of the Law Enforcement Officers' Retirement System transferred to this Retirement System who commenced retirement on and before July 1, 1981.

(2) Should a disability beneficiary under the age of 62 years be restored to active service at a compensation not less than

his average final compensation, his retirement allowance shall cease, he shall again become a member of the Retirement System and he shall contribute thereafter at the contribution rate which is applicable during his subsequent membership service. Any prior service certificate on the basis of which his service was computed at the time of his retirement shall be restored to full force and effect, and in addition, upon his subsequent retirement he shall be credited with all his service as a member, but should he be restored to active service on or after the attainment of the age of 50 years his pension upon subsequent retirement shall not exceed the sum of the pension which he was receiving immediately prior to his last restoration after June 30, 1951, and the pension that he would have received on account of his service since such last restoration had he entered service at that time as a new entrant.

(3) Notwithstanding the foregoing, a member retired on a disability retirement allowance who is restored to service and subsequently retires on or after July 1, 1971, shall be entitled to an allowance not less than the allowance prescribed in a below reduced by the amount in b below.

a. The allowance to which he would have been entitled if he were retiring for the first time, calculated on the basis of his total creditable service represented by the sum of his creditable service at the time of his first retirement and his creditable service after he was restored to service.

b. The actuarial equivalent of the retirement benefits he previously received.

(3a) Notwithstanding the foregoing, should a ~~member~~ beneficiary who retired on a disability retirement allowance ~~who is~~ be restored to service as an employee, then the retirement allowance shall cease as of the first day of the month following the month in which the beneficiary restored to service and the beneficiary shall become a member of the Retirement System and shall contribute thereafter as allowed by law at the uniform contribution payable by all members. ~~and subsequently retires on or after July 1, 1985,~~ Upon the subsequent retirement of the beneficiary, he shall be entitled to an allowance to which he would have been entitled if he were retiring for the first time, calculated on the basis of his total creditable service represented by the sum of his creditable service at the time of his first retirement and his creditable service after he

was restored to service. Provided, however, any election of an optional allowance cannot be changed unless the member subsequently completes three years of membership service after being restored to service.

(4) As a condition to the receipt of the disability retirement allowance provided for in G.S. 128-27(d), (d1), (d2) and (d3) each member retired on a disability retirement allowance shall, on or before April 15 of each calendar year, provide the Board of Trustees with a statement of his or her income received as compensation for services, including fees, commissions or similar items, and income received from business, for the previous calendar year. Such statement shall be filed on a form as required by the Board of Trustees.

The Director of the State Retirement Systems shall contact any State or federal agency which can provide information to substantiate the statement required to be submitted by this subdivision and may enter into agreements for the exchange of information.

(5) Notwithstanding any other provisions of this Article to the contrary, a beneficiary who was a beneficiary retired on a disability retirement with the Law Enforcement Officers' Retirement System at the time of the transfer of law enforcement officers employed by a participating employer and beneficiaries last employed by a participating employer to this Retirement System and who also was a contributing member of this Retirement System at that time, shall continue to be paid his retirement allowance without restriction and may continue as a member of this Retirement System with all the rights and privileges appendant to membership. Any beneficiary who retired on a disability retirement allowance as an employee of any participating employer under the Law Enforcement Officers' Retirement System and becomes employed as an employee other than as a law enforcement officer by an employer participating in the Retirement System after the aforementioned transfer shall continue to be paid his retirement allowance without restriction and may continue as a member of this Retirement System with all the rights and privileges appendant to membership until January 1, 1989, at which time his retirement allowance shall cease and his subsequent retirement shall be determined in accordance with the preceding subdivision (3a) of this section. Any beneficiary as hereinbefore described who

becomes employed as a law enforcement officer by an employer participating in the Retirement System shall cease to be a beneficiary and shall immediately commence membership and his subsequent retirement shall be determined in accordance with subdivision (3a) of this section.

(6) Notwithstanding any other provision to the contrary, a beneficiary in receipt of a disability retirement allowance until the earliest date on which he would have qualified for an unreduced service retirement allowance shall thereafter (i) not be subject to further reexaminations as to disability, (ii) not be subject to any reduction in allowance on account of being engaged in a gainful occupation other than with an employer participating in the Retirement System, and (iii) be considered a beneficiary in receipt of a service retirement allowance. Provided, however, a beneficiary in receipt of a disability retirement allowance whose allowance is reduced on account of reexamination as to disability or to ability to engage in a gainful occupation prior to the date on which he would have qualified for an unreduced service retirement allowance shall have only the right to elect to convert to an early or service retirement allowance as permitted under subdivision (1) above."

Sec. 2. G.S 135-5(e) reads as rewritten:

"(e) Reexamination of Beneficiaries Retired for Disability. -- The provisions of this subsection shall be applicable to members retired on a disability retirement allowance and shall not be applicable to members in service on or after January 1, 1988. Once each year during the first five years following retirement of a member on a disability retirement allowance, and once in every three-year period thereafter, the Board of Trustees may, and upon his application shall, require any disability beneficiary who has not yet attained the age of 60 years to undergo a medical examination, such examination to be made at the place of residence of said beneficiary or other place mutually agreed upon, by a physician or physicians designated by the Board of Trustees. Should any disability beneficiary who has not yet attained the age of 60 years refuse to submit to at least one medical examination in any such year by a physician or physicians designated by the Board of Trustees, his allowance may be discontinued until his withdrawal of such refusal, and should his refusal continue for one year all his rights in and to his pension may be revoked by the Board of Trustees.

(1) The Board of Trustees shall determine whether a disability beneficiary is engaged in or is able to engage in a gainful

occupation paying more than the difference, as hereinafter indexed, between his disability retirement allowance and the gross compensation earned as an employee during the 12 consecutive months of service in the final 48 months prior to retirement producing the highest gross compensation excluding any compensation received on account of termination. If the disability beneficiary is earning or is able to earn more than the difference, the portion of his disability retirement allowance not provided by his contributions shall be reduced to an amount which, together with the portion of the disability retirement allowance provided by his contributions and the amount earnable by him shall equal the amount of his gross compensation prior to retirement. This difference shall be increased on January 1 each year by the ratio of the Consumer Price Index to the Index one year earlier, calculated to the nearest tenth of one percent (1/10th of 1%). Should the earning capacity of the disability beneficiary later change, the portion of his disability retirement allowance not provided by his contributions may be further modified. In lieu of the reductions on account of a disability beneficiary earning more than the aforesaid difference, he may elect to convert his disability retirement allowance to a service retirement allowance calculated on the basis of his average final compensation and creditable service at the time of disability and his age at the time of conversion to service retirement. This election is irrevocable. Provided, the provisions of this subdivision shall not apply to beneficiaries of the Law-Enforcement Officers' Retirement System transferred to this Retirement System who commenced retirement on and before July 1, 1981.

(2) Should a disability beneficiary under the age of 60 years be restored to active service at a compensation not less than his average final compensation, his retirement allowance shall cease, he shall again become a member of the Retirement System, and he shall contribute thereafter at the same rate he paid prior to disability; provided that, on and after July 1, 1971, if a disability beneficiary under the age of 62 years is restored to active service at a compensation not less than his average final compensation, his retirement allowance shall cease, he shall again become a member of the Retirement System, and he shall contribute thereafter at the uniform contribution rate payable by all members. Any

such prior service certificate on the basis of which his service was computed at the time of his retirement shall be restored to full force and effect, and, in addition, upon his subsequent retirement he shall be credited with all his service as a member, but should he be restored to active service on or after the attainment of the age of 50 years his pension upon subsequent retirement shall not exceed the sum of the pension which he was receiving immediately prior to his last restoration and the pension that he would have received on account of his service since his last restoration had he entered service at the time as a new entrant.

(3) Notwithstanding the foregoing, a member retired on a disability retirement allowance who is restored to service and subsequently retires on or after July 1, 1971, shall be entitled to an allowance not less than the allowance described in a. below reduced by the amount in b. below:

a. The allowance to which he would have been entitled if he were retiring for the first time, calculated on the basis of his total creditable service represented by the sum of his creditable service at the time of his first retirement and his creditable service after he was restored to service.

b. The actuarial equivalent of the retirement benefits he previously received.

(3a) Notwithstanding the foregoing, should a ~~member~~ beneficiary who retired on a disability retirement allowance ~~who is~~ be restored to service as an employee or teacher, then the retirement allowance shall cease as of the first day of the month following the month in which the beneficiary is restored to service and the beneficiary shall become a member of the Retirement System and shall contribute thereafter as allowed by law at the uniform contribution payable by all members. ~~and subsequently retires on or after July 1, 1985,~~ Upon the subsequent retirement of the beneficiary, he shall be entitled to an allowance to which he would have been entitled if he were retiring for the first time, calculated on the basis of his total creditable service represented by the sum of his creditable service at the time of his first retirement and his creditable service after he was restored to service. Provided, however, any election of an optional allowance cannot be changed unless the member subsequently completes three years of membership service after being restored to service.

(4) As a condition to the receipt of the disability retirement allowance provided for in G.S. 135-5(d), (d1), (d2) and (d3) each member retired on a disability retirement allowance shall, on or before April 15 of each calendar year, provide the Board of Trustees with a statement of his or her income received as compensation for services, including fees, commissions or similar items, and income received from business, for the previous calendar year. Such statement shall be filed on a form as required by the Board of Trustees.

The Director of the State Retirement System shall contact any State or federal agency which can provide information to substantiate the statement required to be submitted by this subdivision and may enter into agreements for the exchange of information.

(5) Notwithstanding any other provisions of this Article to the contrary, a beneficiary who was a beneficiary retired on a disability retirement with the Law-Enforcement Officers' Retirement System at the time of the transfer of law-enforcement officers employed by a participating employer and beneficiaries last employed by a participating employer to this Retirement System and who also was a contributing member of this Retirement System at that time, shall continue to be paid his retirement allowance without restriction and may continue as a member of this Retirement System with all the rights and privileges appendant to membership. Any beneficiary who retired on a disability retirement allowance as an employee of any participating employer under the Law-Enforcement Officers' Retirement System and becomes employed as an employee other than as a law-enforcement officer by an employer participating in the Retirement System after the aforementioned transfer shall continue to be paid his retirement allowance without restriction and may continue as a member of this Retirement System with all the rights and privileges appendant to membership until January 1, 1989, at which time his retirement allowance shall cease and his subsequent retirement shall be determined in accordance with the preceding subdivision (3a) of this subsection. Any beneficiary as hereinbefore described who becomes employed as a law-enforcement officer by an employer participating in the Retirement System shall cease to be a beneficiary and shall immediately commence membership and his subsequent retirement shall be

determined in accordance with subdivision (3a) of this subsection.

(6) Notwithstanding any other provision to the contrary, a beneficiary in receipt of a disability retirement allowance until the earliest date on which he would have qualified for an unreduced service retirement allowance shall thereafter (i) not be subject to further reexaminations as to disability, (ii) not be subject to any reduction in allowance on account of being engaged in a gainful occupation other than with an employer participating in the Retirement System, and (iii) be considered a beneficiary in receipt of a service retirement allowance. Provided, however, a beneficiary in receipt of a disability retirement allowance whose allowance is reduced on account of reexamination as to disability or to ability to engage in a gainful occupation prior to the date on which he would have qualified for an unreduced service retirement allowance shall have only the right to elect to convert to an early or service retirement allowance as permitted under subdivision (1) above."

Sec. 3. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 17th day of June, 1992.

S.B. 1081 **CHAPTER 767**

AN ACT TO VALIDATE SCHOOL MERGERS AND CLARIFY MERGER LAWS SO AS TO ELIMINATE THE NEED FOR SUBSTANTIAL APPROPRIATIONS FOR SEPARATE CENTRAL STAFFS, AND SO AS TO CLARIFY A 1991 SPECIAL BUDGET PROVISION.

The General Assembly of North Carolina enacts:

Section 1. Pending litigation threatens to disrupt the well-settled school mergers of Morganton/Glen Alpine/Burke County, Marion/McDowell County, Sanford/Lee County, North Wilkesboro/Wilkes County, New Bern/Craven County, Concord/Cabarrus County, Fayetteville/Cumberland County, Salisbury/Rowan County, Tryon/Polk County, and Statesville/Iredell County, and the recently approved school mergers of Hendersonville/Henderson County, Goldsboro/Wayne County, Kinston/Lenoir County, Durham/Durham County, and Monroe/Union County, all approved under a general law giving county boards of commissioners or the State Board of Education or both a role in the mergers, and threatens to disrupt the well-settled school mergers for

Elm City/Wilson/Wilson County and Raleigh/Wake County, which were approved under local acts requiring approval of the county commissioners and the State Board of Education. The case, if affirmed by the appellate courts, would greatly increase State funding for school administrative staffs when numerous long-dissolved school units are revived by court order. It is clear that the 1967, 1969, and 1991 school merger legislation was designed as alternative procedures for the manner of electing school boards than the general law procedures on board composition, and the procedures of these acts are in conformance with the long accepted trend of granting home rule and allowing local issues to be handled outside of local legislation. Arguments in litigation that G.S. 115C-35, 115C-37 and 153A-76(4) should restrict local settlement of merger issues need to be disposed of so the mere presence of the litigation will not disrupt past, current, and future mergers and the ongoing implementation of merger in numerous school units.

Sec. 2. Article 7 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"*§ 115C-68.3. Validation of plans of consolidation and merger.*

All plans for consolidation and merger of school administrative units entered into between June 9, 1969, and May 26, 1992, under G.S. 115C-67, 115C-68.1, 115C-68.2, former G.S. 115-74.1, or under any local act authorizing such mergers, are ratified and considered to have been adopted by act of the General Assembly. This Article prevails over G.S. 153A-76(4)."

Sec. 3. For the purpose of clarification, G.S. 115C-67(3)b. reads as rewritten:

"b. The method of constituting and continuing the board of ~~education,~~ education; the manner of selection of board members, including (i) the number of members of the board, (ii) the method of their election or appointment, (iii) whether members shall be nominated, elected, or appointed from districts or at large, (iv) the manner of determining the nominee, and (v) whether the election shall be partisan or nonpartisan; the length of the members' terms of ~~office,~~ office; the dates of induction into ~~office,~~ office; the organization of the ~~board,~~ board; the procedure for filling ~~vacancies,~~ vacancies; and the compensation to be paid members of the board for expenses incurred in performance of their duties. To the extent that the method conflicts with G.S. 115C-35, G.S. 115C-37, or with any local act concerning any of the units being merged and consolidated, the plan of merger and consolidation shall prevail."

Sec. 4. Nothing in this act is intended to alter legislative intent relative to local funding level requirements.

Sec. 5. Sections 1 and 2 of this act are effective upon ratification. Section 3 of this act becomes effective July 1, 1981.

In the General Assembly read three times and ratified this the 17th day of June, 1992.

H.B. 1000 **CHAPTER 768**

AN ACT TO ESTABLISH THE NORTH CAROLINA COMMUNITY TRUST FOR PERSONS WITH SEVERE CHRONIC DISABILITIES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 36A of the General Statutes is amended by adding a new Article to read:

"ARTICLE 4B.

"North Carolina Community Trust Act.

"*§ 36A-59.10. North Carolina Community Trust for Persons with Severe Chronic Disabilities; findings.*

(a) This act shall be known and may be cited as the 'North Carolina Community Trust for Persons with Severe Chronic Disabilities Act'.

(b) The General Assembly finds that it is in the public interest to encourage activities by voluntary associations and private citizens which will supplement and augment those services provided by local, State, and federal government agencies in discharge of their responsibilities toward individuals with severe chronic disabilities. The General Assembly further finds that, as a result of changing social, economic, and demographic trends, families of persons with severe chronic disabilities are increasingly aware of the need for a vehicle by which they can assure ongoing individualized personal concern for a severely disabled family member who may survive his parents or other family members, and provide for the efficient management of small legacies or trust funds to be used for the benefit of such a disabled person. In a number of other states voluntary associations have established foundations or trusts intended to be responsive to these concerns. Therefore, the General Assembly finds that North Carolina will benefit by the enactment of enabling legislation expressly authorizing the formation of community trusts in accordance with criteria set forth by statute and administered by the Secretary of State, pursuant to Chapter 55A of the General Statutes. These community trusts permit the pooling of resources contributed by families or persons with philanthropic intent, along with the

reservation of portions of these funds for the use and benefit of designated beneficiaries.

(c) This act shall be liberally construed and applied to promote its underlying purposes and policies, which are, among others, to:

(1) Encourage the orderly establishment of community trusts for the benefit of persons with severe chronic disabilities;

(2) Ensure that community trusts are administered properly and that the managing boards of the trusts are free from conflicts of interest;

(3) Facilitate sound administration of trust funds for persons with severe chronic disabilities by allowing family members and others to pool resources in order to make professional management investment more efficient;

(4) Provide parents of persons with severe chronic disabilities peace of mind in knowing that a means exists to ensure that the interests of their children who have severe chronic disabilities are properly looked after and managed after the parents die or become incapacitated;

(5) Help make guardians available for persons with severe chronic disabilities who are incompetent, when no other family member is available for this purpose;

(6) Encourage the availability of private resources to purchase for persons with severe chronic disabilities goods and services that are not available through any governmental or charitable program and to conserve these resources by limiting purchases to those which are not available from other sources;

(7) Encourage the inclusion, as beneficiaries of community trusts, of persons who lack resources and whose families are indigent, in a way that does not diminish the resources available to other beneficiaries whose families have contributed to the trust; and

(8) Remove the disincentives that discourage parents and others from setting aside funds for the future protection of persons with severe chronic disabilities by ensuring that the interest of beneficiaries in community trusts are not considered assets or income that would disqualify them from any governmental or charitable entitlement program with an economic means test.

"*§ 36A-59.11. Definitions.*

As used in this Article, unless the context clearly requires otherwise:

(1) 'Beneficiary' means any person with a severe chronic disability who has qualified as a member of the community

trust program and who has the right to receive those services and benefits vested with the management of the business and affairs of a corporation, formed for the purpose of managing a community trust, irrespective of the name by which the group is designated.

(2) 'Community trust' means a nonprofit organization that offers the following services:

a. Administration of special trust funds for persons with severe chronic disabilities;

b. Follow along services;

c. Guardianship for persons with severe chronic disabilities who are incompetent, when no other family member or immediate friend is available for this purpose; and

d. Advice and counsel to persons who have been appointed as individual guardians of the persons or estates of persons with severe chronic disabilities.

(3) 'Follow along services' means those services offered by community trusts that are designed to ensure that the needs of each beneficiary are being met for as long as may be required and may include periodic visits to the beneficiary and to the places where the beneficiary receives services, participation in the development of individualized plans being made by service providers for the beneficiary, and other similar services consistent with the purposes of this act.

(4) 'Severe chronic disability' means a physical or mental impairment that is expected to give rise to a long-term need for specialized health, social, and other services, and which makes the person with such a disability dependent upon others for assistance to secure these services.

(5) 'Trustee' means any member of the board of a corporation, formed for the purpose of managing a community trust, whether that member is designated as a trustee, director, manager, governor, or by any other title.

(6) 'Surplus trust funds' means funds accumulated in the trust from contributions made on behalf of an individual beneficiary which, after the death of the beneficiary, are determined by the board to be in excess of the actual cost of providing services during the beneficiary's lifetime, including the beneficiary's share of administrative costs.

"*§ 36A-59.12. Scope.*

This Article shall apply to every community trust established in this State. In addition to meeting the other requirements of this act, every board which administers a community trust shall incorporate as a nonprofit corporation pursuant to Chapter 55A of the General Statutes.

Except as otherwise provided herein, the provisions of Chapter 55A of the General Statutes shall apply to the community trusts.

"*§ 36A-59.13. Administration; powers and duties.*

(a) Every community trust shall be administered by a board. The board shall be comprised of no less than nine and no more than 21 members, at least one-third of whom shall be parents or relatives of persons with severe chronic disabilities. No board member shall be a provider of habilitative, health, social, or educational services to persons with severe chronic disabilities or an employee of such a service provider. The board may, however, allow service providers to serve on the board in an advisory capacity. Board members shall be selected, to the maximum extent possible, from geographic areas throughout the area served by the trust.

The certificate of incorporation filed with the Secretary of State pursuant to Chapter 55A of the General Statutes shall, in addition to the requirements set forth in that title, demonstrate that the requirements of this section have been met.

(b) Notwithstanding any other provision of law to the contrary, no trustee may be compensated for services provided as a member of the board of a community trust. No fees or commissions shall be paid to these trustees; however, a trustee may be paid for necessary expenses incurred by the trustee and may receive indemnification as permitted under Chapter 55A of the General Statutes.

(b1) For every community trust incorporated under this Article, the corporation itself shall be considered the trustee of any funds administered by it. No individual board member shall be considered to be trustee of any fund deposited on behalf of any individual beneficiary with severe chronic disabilities.

(c) The board shall adopt bylaws that shall include a declaration delineating the primary geographic area serviced by the trust and the principal services to be provided and shall file the bylaws with the Secretary of State.

(d) The board may retain paid staff as it considers necessary to provide follow along services to the extent required by each beneficiary. The community trust may authorize the expenditure of funds for any goods or services which, in its sole discretion, it determines will promote the well-being of any beneficiary, including recreational services. The community trust may pay for the burial of any beneficiary. The community trust, however, may not expend funds for any goods or services of comparable quality to those available to any particular beneficiary through any governmental or charitable program, insurance, or other sources. The community trust may expend funds to meet the reasonable costs of administering the community trust.

(e) The community trust is not required to provide services to a beneficiary who is a competent adult and who has refused to accept the services. Further, the community trust shall not provide services of a nature or in a manner that would be contrary to the public policy of this State at the time the services are to be provided. In either case, the community trust may offer alternate services that are consistent with the purposes of this act and in keeping with the best interests of the beneficiary.

(f) The community trust may accept appointment as guardian of the person, guardian of the estate, or guardian of both on behalf of any beneficiary. If the community trust accepts appointment as guardian of the person of an individual, it shall assign a staff member to carry out its responsibilities as the guardian. The community trust may, on request, offer consultative and professional assistance to an individual, private or public guardian of any of its beneficiaries.

(g) The community trust may accept contributions, bequests, and designations under life insurance policies to the community trust on behalf of individuals with severe chronic disabilities for the purpose of qualifying them as beneficiaries.

(h) At the time a contribution, bequest, or assignment of insurance proceeds is made, the trustor shall receive a written statement of the services to be provided to the beneficiary. The statement shall include a starting date for the delivery of services or the condition precedent, such as the death of the trustor, which shall determine the starting date. The statement shall describe the frequency with which services shall be provided and their duration, and the criteria or procedures for modifying the program of services from time to time in the best interests of the beneficiary.

"*§ 36A-59.14. Accountability.*

Along with the annual report filed with the Secretary of State pursuant to Chapter 55A of the General Statutes, the community trust shall file an itemized statement which shows the funds collected for the year, income earned, salaries, other expenses incurred, and the opening and final trust balances. A copy of this statement shall be made available, upon request, to any beneficiary, trustor, or designee of the trustor. In addition, once annually, each trustor or the trustor's designee shall receive a detailed individual statement of the services provided to the trustor's beneficiary during the previous 12 months and the services to be provided during the following 12 months. The community trust shall make a copy of the individual statement available to any beneficiary, upon request.

"*§ 36A-59.15. Gifts, surplus trust funds.*

The community trust may accept gifts and use surplus trust funds for the purpose of qualifying as beneficiaries any indigent person

whose family members lack the resources to make a full contribution on that person's behalf. The extent and character of the services and selection of beneficiaries are at the discretion of the community trust. The community trust may not use surplus trust funds to make any charitable contribution on behalf of any beneficiary or any group or class of beneficiaries. The community trust may accept gifts to meet start-up costs, reduce the charges to the trust for the cost of administration, and for any other purpose that is consistent with this act. Gifts made to the trust for an unspecified purpose shall be used by the community trust either to qualify indigent persons whose families lack the means to qualify them as beneficiaries of the trust or to meet any start-up costs that the trust incurs.

"§ 36A-59.16. Special requests on behalf of beneficiary.

The community trust may agree to fulfill any special requests made on behalf of a beneficiary as long as the requests are consistent with this Article and provided an adequate contribution has been made for this purpose on behalf of a beneficiary. The community trust may agree to serve as trustee for any individual trust created on behalf of a beneficiary, regardless of whether the trust is revocable or irrevocable, has one or more remaindermen or contingent beneficiaries, or any other condition, so long as the individual trust is consistent with the purposes of this Article.

"§ 36A-59.17. Irrevocability; impossibility of fulfillment.

A community trust for persons with severe chronic disabilities is irrevocable, but the trustees in their sole discretion may provide compensation for any contribution to the trust to any trustor who, upon good cause, withdraws a beneficiary designated by the trustor from the trust, or if it becomes impossible to fulfill the conditions of the trust with regard to an individual beneficiary for reasons other than the death of the beneficiary.

"§ 36A-59.18. Beneficiary's interest in trust not asset for income eligibility determination.

Notwithstanding any provisions of Chapter 108A of the General Statutes, the beneficiary's interest in any community trust shall not be deemed to be an asset for the purpose of determining income eligibility for any publicly operated program, nor shall that interest be reached in satisfaction of a claim for support and maintenance of the beneficiary. No agency shall reduce the benefits of services available to any individual because that person is the beneficiary of a community trust.

"§ 36A-59.19. Trust not subject to law against perpetuities, restraints on alienation.

A community trust shall not be subject to or held to be in violation of any principle of law against perpetuities or restraints on alienation or perpetual accumulations of trusts.

"*§ 36A-59.20. Settlement; trustee limitations.*

The community trust shall settle a community trust by filing a final accounting in the superior court. In addition, at any time prior to the settlement of the final account, the community trust, the Secretary of State, or the Attorney General may bring an action for the dissolution of a nonprofit corporation in the superior court for the purpose of terminating the trust or merging it with another charitable trust.

No trustee or any private individual shall be entitled to share in the distribution of any of the trust assets upon dissolution, merger, or settlement of the community trust. Upon dissolution, merger, or settlement, the superior court shall distribute all of the remaining net assets of the community trust in a manner that is consistent with the purposes of this Article.

"*§ 36A-59.21. Funding.*

No State funds shall be utilized to implement this act."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of June, 1992.

S.B. 804 **CHAPTER 769**

AN ACT TO REQUIRE STUDENTS ENROLLED IN PUBLIC KINDERGARTEN, FIRST GRADE OR SECOND GRADE WHO ARE UNDER THE AGE OF SEVEN TO ATTEND SCHOOL.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-81(f) reads as rewritten:

"(f) Establishment and Maintenance of Kindergartens. --

(1) Local boards of education shall provide for their respective local school administrative unit kindergartens as a part of the public school system for all children living in the local school administrative unit who are eligible for admission pursuant to subdivision (2) of this subsection provided that funds are available from State, local, federal or other sources to operate a kindergarten program as provided in ~~G.S. 115C-81(f)~~ this subsection ~~and 115C-82~~.

All kindergarten programs so established shall be subject to the supervision of the Department of Public Instruction and shall be operated in accordance with the standards adopted by the State Board of Education, upon recommendation of the Superintendent of Public Instruction.

Among the standards to be adopted by the State Board of Education shall be a provision that the Board will allocate funds for the purpose of operating and administering kindergartens to each school administrative unit in the State based on the average daily membership for the best continuous three out of the first four school months of pupils in the kindergarten program during the last school year in that respective school administrative unit. Such allocations are to be made from funds appropriated to the State Board of Education for the kindergarten program.

(2) Any child who has passed the fifth anniversary of his birth on or before October 16 of the year in which he enrolls shall be eligible for enrollment in kindergarten. Any child who is enrolled in kindergarten and not withdrawn by his parent or guardian shall attend kindergarten.

(3) Notwithstanding any other provision of law to the contrary, subject to the approval of the State Board of Education, any local board of education may elect not to establish and maintain a kindergarten program. Any funds allocated to a local board of education which does not operate a kindergarten program may be reallocated by the State Board of Education, within the discretion of the Board, to a county or city board of education which will operate such a program."

Sec. 2. G.S. 115C-378 reads as rewritten:

"§ *115C-378. Children ~~between seven and 16~~ required to attend.*

Every parent, guardian or other person in this State having charge or control of a child between the ages of seven and 16 years shall cause such child to attend school continuously for a period equal to the time which the public school to which the child is assigned shall be in session. Every parent, guardian, or other person in this State having charge or control of a child under age seven who is enrolled in a public school in grades kindergarten through two shall also cause such child to attend school continuously for a period equal to the time which the public school to which the child is assigned shall be in session unless the child has withdrawn from school. No person shall encourage, entice or counsel any such child to be unlawfully absent from school. The parent, guardian, or custodian of a child shall notify the school of the reason for each known absence of the child, in accordance with local school policy.

The principal, superintendent, or teacher who is in charge of such school shall have the right to excuse a child temporarily from attendance on account of sickness or other unavoidable cause which does not constitute unlawful absence as defined by the State Board of

Education. The term 'school' as used herein is defined to embrace all public schools and such nonpublic schools as have teachers and curricula that are approved by the State Board of Education.

All nonpublic schools receiving and instructing children of a compulsory school age shall be required to keep such records of attendance and render such reports of the attendance of such children and maintain such minimum curriculum standards as are required of public schools; and attendance upon such schools, if the school refuses or neglects to keep such records or to render such reports, shall not be accepted in lieu of attendance upon the public school of the district to which the child shall be assigned: Provided, that instruction in a nonpublic school shall not be regarded as meeting the requirements of the law unless the courses of instruction run concurrently with the term of the public school in the district and extend for at least as long a term.

The principal or his designee shall notify the parent, guardian, or custodian of his child's excessive absences after the child has accumulated three unexcused absences in a school year. After not more than six unexcused absences, the principal shall notify the parent, guardian, or custodian by mail that he may be in violation of the Compulsory Attendance Law and may be prosecuted if the absences cannot be justified under the established attendance policies of the State and local boards of education. Once the parents are notified, the school attendance counselor shall work with the child and his family to analyze the causes of the absences and determine steps, including adjustment of the school program or obtaining supplemental services, to eliminate the problem. The attendance counselor may request that a law-enforcement officer accompany him if he believes that a home visit is necessary.

After 10 accumulated unexcused absences in a school year the principal shall review any report or investigation prepared under G.S. 115C-381 and shall confer with the student and his parent, guardian, or custodian if possible to determine whether the parent, guardian, or custodian has received notification pursuant to this section and made a good faith effort to comply with the law. If the principal determines that parent, guardian, or custodian has not, he shall notify the district attorney. If he determines that parent, guardian, or custodian has, he may file a complaint with the juvenile intake counselor under G.S. 7A-561 that the child is habitually absent from school without a valid excuse. Evidence that shows that the parents, guardian, or custodian were notified and that the child has accumulated 10 absences which cannot be justified under the established attendance policies of the local board shall establish a prima facie case that the child's parent, guardian, or custodian is responsible for the absences."

Sec. 3. G.S. 115C-382 reads as rewritten:

"§ *115C-382. Investigation of indigency.*

If affidavit shall be made by the parent of a child or by any other person that any child ~~between the ages of seven and 16 years~~ who is required to attend school under G.S. 115C-378 is not able to attend school by reason of necessity to work or labor for the support of himself or the support of the family, then the school social worker shall diligently inquire into the matter and bring it to the attention of some court allowed by law to act as a juvenile court, and said court shall proceed to find whether as a matter of fact such parents, or persons standing *in loco parentis*, are unable to send said child to school for the term of compulsory attendance for the reasons given. If the court shall find, after careful investigation, that the parents have made or are making bona fide effort to comply with the compulsory attendance law, and by reason of illness, lack of earning capacity, or any other cause which the court may deem valid and sufficient, are unable to send said child to school, then the court shall find and state what help is needed for the family to enable compliance with the attendance law. The court shall transmit its findings to the director of social services of the county or city in which the case may arise for such social services officer's consideration and action."

Sec. 4. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 18th day of June, 1992.

H.B. 1372 **CHAPTER 770**

AN ACT TO CHANGE THE PAY DATE FOR CERTAIN EMPLOYEES OF THE CHARLOTTE/MECKLENBURG SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding the provisions of G.S. 115C-302(a), G.S. 115C-316(a), or any other provision of law, all teachers and all monthly-paid 10-month employees of the Charlotte-Mecklenburg County School Administrative Unit shall be paid on or before the tenth day of each month.

Sec. 2. This act shall not be construed to authorize prepayment of any employees by the Charlotte/Mecklenburg Board of Education.

Sec. 3. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 18th day of June, 1992.

H.B. 1316 **CHAPTER 771**

AN ACT TO MODIFY THE REGULATION OF THE USE AND DISCHARGE OF PYROTECHNICS IN NASH AND EDGECOMBE COUNTIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-410 reads as rewritten:

"*§ 14-410. Manufacture, sale and use of pyrotechnics prohibited; public exhibitions permitted; common carriers not affected.*

It shall be unlawful for any individual, firm, partnership or corporation to manufacture, purchase, sell, deal in, transport, possess, receive, advertise, use or cause to be discharged any pyrotechnics of any description whatsoever within the State of North Carolina: provided, however, that it shall be permissible for pyrotechnics to be exhibited, used or discharged at public exhibitions, such as fairs, carnivals, shows of all descriptions and public celebrations: provided, further, that the use of said pyrotechnics in connection with public exhibitions, such as fairs, carnivals, shows of all descriptions and public celebrations, shall be under supervision of experts who have previously secured written authority from the board of county commissioners of the county in which ~~said~~ the pyrotechnics are to be exhibited, used or ~~discharged:~~ discharged, unless the pyrotechnics are to be exhibited, used or discharged within the corporate limits of a municipality in the county. ~~provided,~~ If the pyrotechnics are to be exhibited, used, or discharged within the corporate limits of a municipality, then written authority shall be secured from the governing body of that municipality. As used in this section 'municipality' is any incorporated city having a population greater than 25,000 persons according to the most recent federal census. Provided, further, that it shall not be unlawful for a common carrier to receive, transport, and deliver pyrotechnics in the regular course of its business."

Sec. 2. G.S. 14-413 reads as rewritten:

"*§ 14-413. Permits for use at public exhibitions.*

(a) Except as provided in subsection (b), for ~~For~~ the purpose of enforcing the provisions of this article, the board of county commissioners of any county ~~are hereby empowered and authorized to~~ may issue permits for use in connection with the conduct of public exhibitions, such as fairs, carnivals, shows of all descriptions and public exhibitions, but only after satisfactory evidence is produced to the effect that said pyrotechnics will be used for the aforementioned purposes and none other.

(b) For the purpose of enforcing the provisions of this article, if pyrotechnics are to be exhibited, used, or discharged within the corporate limits of a municipality in the county, the governing body of that municipality may issue permits for use in connection with the conduct of public exhibitions after receiving satisfactory evidence that the pyrotechnics will be used only for the purposes allowed by this article.

(c) As used in this section, 'municipality' is any incorporated city having a population greater than 25,000 persons according to the most recent federal census."

Sec. 3. This act applies only to Nash and Edgecombe Counties.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.B. 1469 **CHAPTER 772**

AN ACT TO PROVIDE THAT THE LIMITATION ON THE HEIGHT OF STRUCTURES UNDER THE COMPREHENSIVE ZONING ORDINANCE OF THE TOWN OF YAUPON BEACH MAY BE CHANGED ONLY WITH THE APPROVAL OF THE VOTERS OF THAT TOWN.

The General Assembly of North Carolina enacts:

Section 1. The building height standards for the Town of Yaupon Beach contained in the Town of Yaupon Beach Comprehensive Zoning Ordinance as of May 26, 1992 are adopted as an act of the General Assembly to apply to that town. Those standards shall continue to apply unless the Town of Yaupon Beach amends or repeals the building height standards contained in the Town of Yaupon Beach Comprehensive Zoning Ordinance, by an ordinance adopted by the town council and approved in a referendum of the qualified voters of the town as provided by Section 2 of this act.

Sec. 2. (a) The referendum may be called only by the governing body of the town.

(b) A proposition to approve an ordinance under this section shall be printed on the ballot in substantially the following form:

"Shall the ordinance (describe the effect of the ordinance) be approved?

[ ] YES

[ ] NO."

Sec. 3. This act applies to the Town of Yaupon Beach only.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.B. 1376 **CHAPTER 773**

AN ACT TO AUTHORIZE BERTIE, CHOWAN, HERTFORD, AND TYRRELL COUNTIES TO ENTER INTO LONG-TERM CONTRACTS FOR DISPOSAL OF SOLID WASTE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-299.6 reads as rewritten:

"*§ 153A-299.6. Applicability.*

This Part shall apply only to Anson County, Beaufort County, Bertie County, Bladen County, Brunswick County, Carteret County, Chowan County, Columbus County, Craven County, Cumberland County, Davie County, Edgecombe County, Gaston County, Hertford County, Hoke County, Hyde County, Lenoir County, Martin County, Montgomery County, New Hanover County, Pamlico County, Pitt County, Richmond County, Rowan County, Rutherford County, Sampson County, Tyrrell County, Washington County, Wayne County, Wilson County, and to any and all incorporated cities and towns situated within the foregoing counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of June, 1992.

H.B. 1405 **CHAPTER 774**

AN ACT TO PROVIDE FOR THE NONPARTISAN ELECTION OF THE CARTERET COUNTY BOARD OF EDUCATION, SUBJECT TO A REFERENDUM.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any provision of Chapter 625, 1967 Session Laws, as amended by Chapter 225, 1973 Session Laws, beginning in 1994 the members of the Carteret County Board of Education shall be elected on a nonpartisan basis at the time of the primary election for county officers. To the extent that they do not conflict with this act and that act, the elections shall be conducted in accordance with Chapters 115C and 163 of the General Statutes. The results of the election shall be determined by the plurality method under G.S. 163-292. Vacancies on the Board of Education for positions elected on a nonpartisan basis shall be filled in accordance with G.S. 115C-37(f). Vacancies on the Board of Education for

positions elected on a partisan basis in 1990 or 1992 shall be filled in accordance with G.S. 115C-37.1. This section does not affect the terms of office of any person elected in 1990 or 1992 to the Carteret County Board of Education. Notwithstanding the provisions of Chapter 625, 1967 Session Laws, as amended by Chapter 225, 1973 Session Laws, and G.S. 115C-37(d), beginning in 1998 members elected shall take office and qualify on July 1 of the year of their election, and the terms of their predecessors shall expire at that same time.

Sec. 2. The Carteret County Board of Elections shall conduct an election on November 3, 1992, on the question of approval of this act. The question on the ballot shall be:

"[ ] FOR election of the Carteret County Board of Education on a nonpartisan basis.

[ ] AGAINST election of the Carteret County Board of Education on a nonpartisan basis."

If a majority of the votes cast are FOR the question, then Section 1 of this act becomes effective. If less than a majority of the votes cast are FOR the question, then Section 1 of this act does not become effective.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of June, 1992.

H.B. 1409 **CHAPTER 775**

AN ACT TO AUTHORIZE MOORE COUNTY TO ENTER INTO LONG-TERM CONTRACTS FOR DISPOSAL OF SOLID WASTE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-299.6 reads as rewritten:

"§ *153A-299.6. Applicability.*

This Part shall apply only to Anson County, Beaufort County, Bladen County, Brunswick County, Carteret County, Columbus County, Craven County, Cumberland County, Davie County, Edgecombe County, Gaston County, Hoke County, Hyde County, Lenoir County, Martin County, Montgomery County, Moore County, New Hanover County, Pamlico County, Pitt County, Richmond County, Rowan County, Rutherford County, Sampson County, Washington County, Wayne County, Wilson County, and to any and all incorporated cities and towns situated within the foregoing counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of June, 1992.

H.B. 1471 **CHAPTER 776**

AN ACT TO REMOVE THE SUNSET FROM THE ACT PROHIBITING THE PLACEMENT OF A NEW ABC STORE WITHIN SEVEN MILES OF THE CORPORATE LIMITS OF A MUNICIPALITY IN WHICH THERE IS AN EXISTING ABC STORE IN BRUNSWICK COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 372 of the 1991 Session Laws reads as rewritten:

"Sec. 3. This act is effective upon ~~ratification and expires on July 1, 1992.~~ ratification."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of June, 1992.

H.B. 303 **CHAPTER 777**

AN ACT TO ALLOW MORE THAN ONE POSTPONEMENT OF FORECLOSURE SALES WITHIN THE NINETY-DAY POSTPONEMENT PERIOD.

The General Assembly of North Carolina enacts:

Section 1. G.S. 45-21.21(a) reads as rewritten:

"(a) Any person exercising a power of sale may postpone the sale to a day certain not later than 90 days, exclusive of Sunday, after the original date for the sale --

(1) When there are no bidders, or

(2) When, in his judgment, the number of prospective bidders at the sale is substantially decreased by inclement weather or by any casualty, or

(3) When there are so many other sales advertised to be held at the same time and place as to make it inexpedient and impracticable, in his judgment, to hold the sale on that day, or

(4) When he is unable to hold the sale because of illness or for other good reason, or

(5) When other good cause exists.

The person exercising a power of sale may postpone the sale more than once whenever any of the above conditions are met, so long as

the sale is held not later than 90 days after the original date for the sale."

Sec. 2. This act becomes effective October 1, 1992, and applies to foreclosure proceedings filed on or after that date.

In the General Assembly read three times and ratified this the 24th day of June, 1992.

H.B. 1475 **CHAPTER 778**

AN ACT TO PERMIT THE COUNTIES OF HARNETT AND WATAUGA TO RENAME COUNTY PUBLIC AND PRIVATE ROADS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-238(b) reads as rewritten:

"(b) This section applies to Alamance, Avery, Brunswick, Burke, Cabarrus, Cleveland, Davie, Harnett, Henderson, McDowell, Moore, New Hanover, Pender, Randolph, Sampson, Stokes, Surry and Watauga Counties only."

Sec. 2. G.S. 153A-239.1(b) reads as rewritten:

"(b) This section applies to Alamance, Avery, Brunswick, Burke, Cabarrus, Cleveland, Davie, Harnett, Henderson, McDowell, Moore, New Hanover, Pender, Randolph, Sampson, Stokes, Surry and Watauga Counties only."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of June, 1992.

S.B. 292 **CHAPTER 779**

AN ACT TO MAKE TECHNICAL CORRECTIONS IN THE DISABILITY INCOME PLAN OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-101(3) reads as rewritten:

"(3) 'Benefits' shall mean the monthly disability income payments made pursuant to the provisions of this Article. In the event of death on or after the first day of a month, or in the event the short-term disability benefit ends on or after the first day of a month where the beneficiary is eligible and applies for an early service or a service retirement allowance the first of the following month, the monthly benefit shall not be prorated and shall equal the benefits paid in the previous month."

Sec. 2. G.S. 135-104(a) reads as rewritten:

"(a) A participant shall receive no benefits from the Plan for a period of 60 continuous calendar days from the onset of disability determined as the last actual day of service, the day of the disabling event if the disabling event occurred on a day other than a normal workday, or the day succeeding at least 365 calendar days after service as a teacher or employee, whichever is later. These 60 continuous calendar days may be considered the waiting period before benefits are payable from the Plan. During this waiting period, a participant may be paid such continuation of salary as provided by an employer through the use of sick leave, vacation leave or any other salary continuation. Any such continuation of salary as provided by an employer shall not include any period a participant or beneficiary is in receipt of Workers' Compensation benefits."

Sec. 3. G.S. 135-105(d) reads as rewritten:

"(d) The provisions of this section shall be administered by the employer and further, the benefits during the first six months of the short-term disability period shall be the full responsibility of and paid by the employer; Provided, further, that upon the completion of the initial six months of the short-term disability period, the employer will continue to be responsible for the short-term benefits to the participant, however, such employer shall notify the ~~Plan on a quarterly basis~~ Plan, at the conclusion of the short-term disability period or upon termination of short-term disability benefits, if earlier, of the amount of short-term benefits paid and the Plan shall reimburse the employer the amounts so paid."

Sec. 4. G.S. 135-106 reads as rewritten:

"§ *135-106. Long-term disability benefits.*

(a) Upon the application of a beneficiary or participant or of his legal representative or any person deemed by the Board of Trustees to represent the participant or beneficiary, any beneficiary or participant who has had five or more years of membership service may receive long-term disability benefits from the Plan upon approval by the Board of Trustees, commencing on the first day succeeding the conclusion of the short-term disability period provided for in G.S. 135-105, provided the beneficiary or participant makes application for such benefit within 180 days after the short-term disability period ~~ceases~~ ceases, ~~or~~ after salary continuation payments cease, or after monthly payments for Workers' Compensation cease, whichever is later; Provided, that the beneficiary or participant withdraws from active service by terminating employment as a teacher or State employee; Provided, that the Medical Board shall certify that such beneficiary or participant is mentally or physically incapacitated for the further performance of duty, that such incapacity was incurred at the time of active employment and has been

continuous thereafter, that such incapacity is likely to be permanent; Provided further that the Medical Board shall not certify any beneficiary or participant as disabled who is in receipt of any payments on account of the same incapacity which existed when the beneficiary first established membership in the Retirement System. The Board of Trustees may extend this 180-day filing requirement upon receipt of clear and convincing evidence that application was delayed through no fault of the disabled beneficiary or participant and was delayed due to the employers' miscalculation of the end of the 180-day filing period. However, in no instance shall the filing period be extended beyond an additional 180 days.

The Board of Trustees may require each beneficiary who becomes eligible to receive a long-term disability benefit to have an annual medical review or examination for the first five years and thereafter once every three years after the commencement of benefits under this section. However, the Board of Trustees may require more frequent examinations and upon the advice of the Medical Board shall determine which cases require such examination. Should any beneficiary refuse to submit to any examination required by this subsection or by the Medical Board, his long-term disability benefit shall be suspended until he submits to an examination, and should his refusal last for one year, his benefit may be terminated by the Board of Trustees. If the Medical Board finds that a beneficiary is no longer mentally or physically incapacitated for the further performance of duty, the Medical Board shall so certify this finding to the Board of Trustees, and the Board of Trustees may terminate the beneficiary's long-term disability benefits effective on the last day of the month in which the Medical Board certifies that the beneficiary is no longer disabled.

As to the requirement of five years of membership service, any participant or beneficiary who does not have five years of membership service within the 96 calendar months prior to conclusion of the short-term disability period or cessation of salary continuation payments, whichever is later, shall not be eligible for long-term disability benefits.

Notwithstanding the requirement that the incapacity was incurred at the time of active employment, any participant who becomes disabled while on an employer approved leave of absence and who is eligible for and in receipt of temporary total benefits under The North Carolina Workers' Compensation Act, Article 1 of Chapter 97 of the General Statutes, will be eligible for all benefits provided under this Article.

(b) After the commencement of benefits under this section, the benefits payable under the terms of this section shall be equal to sixty-

five percent (65%) of 1/12th of the annual base rate of compensation last payable to the participant or beneficiary prior to the beginning of the short-term disability period as may be adjusted for percentage increases as provided under G.S. 135-108, plus sixty-five percent (65%) of 1/12th of the annual longevity payment to which the participant or beneficiary would be eligible, to a maximum of three thousand nine hundred dollars ($3,900) per month reduced by any primary Social Security disability benefits and by monthly payments for Workers' Compensation to which the participant or beneficiary may be entitled, but the benefits payable shall be no less than ten dollars ($10.00) a month. However, a disabled participant may elect to receive any salary continuation as provided in G.S. 135-104 in lieu of long-term disability benefits; provided such election shall not extend the first 36 consecutive calendar months of the long-term disability period. An election to receive any salary continuation for any part of any given day shall be in lieu of any long-term benefit payable for that day, provided further, any lump-sum payout for vacation leave shall be treated as if the beneficiary or participant had exhausted the leave and shall be in lieu of any long-term benefit otherwise payable. Notwithstanding the foregoing, upon the completion of four years from the conclusion of the waiting period as provided in G.S. 135-104, the beneficiary's benefit shall be reduced by an amount, as determined by the Board of Trustees, equal to a primary Social Security disability benefit to which the beneficiary might be entitled had the beneficiary been awarded Social Security disability benefits. Provided that, in any event, a beneficiary's benefit shall be reduced by an amount, as determined by the Board of Trustees, equal to a primary Social Security retirement benefit to which the beneficiary might be entitled.

Notwithstanding the foregoing, the long-term disability benefit is payable so long as the beneficiary is disabled until the earliest date at which the beneficiary is eligible for an unreduced service retirement allowance from the Retirement System, at which time the beneficiary would receive a retirement allowance calculated on the basis of the beneficiary's average final compensation at the time of disability as adjusted to reflect compensation increases subsequent to the time of disability and the creditable service accumulated by the beneficiary, including creditable service while in receipt of benefits under the Plan.

(c) Notwithstanding the foregoing, a beneficiary in receipt of long-term disability benefits who has earnings during ~~the first 36 consecutive calendar months of~~ the long-term disability period shall have his long-term disability benefit reduced when the sum of the net long-term disability benefit and the earnings equals one hundred

percent (100%) of monthly compensation adjusted as provided under G.S. 135-108. The net long-term benefit shall mean the long-term benefit amount payable as calculated under (b) above, after the reduction for Social Security benefits to which the beneficiary might be entitled. The net long-term disability benefit shall be reduced dollar-for-dollar for the amount of earnings in excess of the one hundred percent (100%) monthly limit. ~~Provided further, after the first 36 months of the long-term disability period, a beneficiary's earnings will not result in any reduction of the monthly long-term disability benefit until the monthly earnings equal the net monthly long-term disability benefit. The monthly long-term disability benefit will be reduced by one dollar ($1.00) for each three dollars ($3.00) of monthly earnings in excess of the net long-term disability benefit until the sum of the monthly net long-term benefit and monthly earnings reach one hundred percent (100%) of monthly compensation adjusted as provided under G.S. 135-108, at which point the monthly long-term disability benefit shall be reduced dollar-for-dollar for the amount of earnings in excess of the one hundred percent (100%) monthly limit.~~ Any beneficiary exceeding the earnings limitations shall notify the Plan by the fifth of the month succeeding the month in which the earnings were received of the amount of earnings in excess of the limitations herein provided. Failure to report excess earnings may result in a suspension or termination of benefits as determined by the Board of Trustees.

(d) Notwithstanding the foregoing, a participant or beneficiary who has applied for and been approved by the Medical Board for long-term disability benefits may make an irrevocable election, within 90 days from the date of notification of such approval, and prior to receipt of any long-term disability benefit payments, to forfeit all pending and accrued rights to the long-term disability benefit including any ancillary benefits and retire on an early service retirement allowance or receive a return of accumulated contributions from the Retirement System."

Sec. 5. This act is effective upon ratification, provided however that in applying the provisions of G.S. 135-106(a) as amended by this act to any person who was eligible for long-term disability benefits under G.S. 135-106 but did not make timely application, the filing period may be extended until 180 days after the effective date of this section.

In the General Assembly read three times and ratified this the 25th day of June, 1992.

S.B. 1053 **CHAPTER 780**

AN ACT TO CANCEL THE SCHOOL BOARD ELECTIONS FOR THE EDEN CITY, WESTERN ROCKINGHAM CITY, AND ROCKINGHAM COUNTY SCHOOL BOARDS SCHEDULED FOR NOVEMBER 1992 AND TO EXTEND TERMS ON THOSE BOARDS EXPIRING DECEMBER 1992 TO JUNE 30, 1993.

The General Assembly of North Carolina enacts:

Section 1. In order to effect the orderly merger of the Eden City, Reidsville City, Rockingham County, and Western Rockingham City school systems into one consolidated county-wide system on July 1, 1993, elections for seats on the Eden City, Western Rockingham City, and Rockingham County Boards of Education scheduled for November 1992 are hereby canceled.

Sec. 2. The terms of office for members of the Eden City, Western Rockingham City, and Rockingham County Boards of Education which expire in December 1992 are hereby extended to June 30, 1993.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 25th day of June, 1992.

H.B. 1432 **CHAPTER 781**

AN ACT TO SET THE 1992 AND 1993 ELECTION CALENDAR FOR THE ANSON COUNTY BOARD OF COMMISSIONERS.

Whereas, a redistricting plan for the Anson County Board of Commissioners was not approved in time to allow the 1992 election to take place on a regular schedule; and

Whereas, a schedule needs to be adopted; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Candidates for the Anson County Board of Commissioners shall file their notice of candidacy no earlier than 12:00 noon on August 3, 1992, and no later than 12:00 noon on August 24, 1992.

Sec. 2. Absentee voting for the 1992 primary election for the Anson County Board of Commissioners shall be on the same schedule as for the 1992 general election for statewide offices.

Sec. 3. Primary elections for the Anson County Board of Commissioners shall be held on November 3, 1992. A second primary, if necessary, shall be held on December 1, 1992.

Sec. 4. The general election for the Anson County Board of Commissioners shall be held on January 5, 1993. Persons elected shall qualify for office on the Monday after the election. If there is only one candidate for office in a particular district (whether by nomination of a party under Articles 9 or 10 of Chapter 163 of the General Statutes, nomination by petition under G.S. 163-122, or by qualification as a write-in candidate under G.S. 163-123), that candidate is declared to be a member of the board of commissioners for that district for the term subject to election, and no general election shall be held in that district. The determination shall be made on the later of:

(1) The deadline for verifying write-in petitions, (the last method of qualification) which under G.S. 163-123(c)(1) and (3) as applied under Section 4 of this act is two weeks after the 90th day before January 5, 1993; or

(2) The date that the winner of a party nomination is determined by the county board of elections under G.S. 163-110 or G.S. 163-175.

If there is only one candidate, the Anson County Board of Elections shall issue a certificate that the person shall serve on the Anson County Board of Commissioners as provided by this section. The person so certified shall qualify for office as provided by this section for persons elected in the general election.

Sec. 5. The Executive Secretary-Director of the State Board of Elections shall prepare and distribute to the Anson County Board of Elections a Revised Primary Election Timetable - 1992/1993 setting out the applicable filing period for candidates along with all other pertinent dates relative to the election timetable as modified by this act.

Sec. 6. For the 1992 Anson County Board of Commissioners primary election only, G.S. 163-112 shall be applied by substituting "10 days" for "30 days" wherever it appears. For the 1993 Anson County Board of Commissioners general election only, written petitions to qualify as an unaffiliated candidate under G.S. 163-122(a)(3) must be filed with the Anson County Board of Elections no later than 12:00 noon on August 24, 1992.

Sec. 7. The Executive Secretary-Director of the State Board of Elections shall adopt regulations to implement this act. Adoption of such regulations is not subject to Chapter 150B of the General Statutes.

Sec. 8. In applying the requirements of G.S. 163-33(8), for the 1992 Anson County Board of Commissioners primary and second primary and 1993 general election only, notice shall be given at least 10 days rather than 20 days before the close of the registration books or records.

Sec. 9. For the 1993 Anson County Board of Commissioners general election only, absentee ballots shall be available by mail beginning at the same time they are available to voters appearing in person under G.S. 163-227.2, that being the day after registration ends.

Sec. 10. For the 1992 Anson County Board of Commissioners primary election only, G.S. 163-107.1 shall be applied by:

(1) Substituting "12:00 noon on Wednesday" for "12:00 noon on Monday" in subsections (b) and (c);
(2) Substituting "at least 9 days" for "at least 15 days" in subsections (b) and (c); and
(3) Substituting "10 days prior" for "60 days prior" in subsection (d).

Sec. 11. This act is effective upon ratification, but shall only be enforced as provided by Section 5 of the Voting Rights Act of 1965.

In the General Assembly read three times and ratified this the 25th day of June, 1992.

H.B. 1649 **CHAPTER 782**

AN ACT TO PROVIDE A PROCEDURE FOR AN UNAFFILIATED CANDIDATE FOR PRESIDENT WHO HAS QUALIFIED FOR BALLOT ACCESS TO NAME CANDIDATES FOR ELECTOR AND FOR VICE-PRESIDENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 163-1(c) reads as rewritten:

"(c) On Tuesday next after the first Monday in November in the year 1968, and every four years thereafter, or on such days as the Congress of the United States shall direct, an election shall be held in all of the election precincts of the State for the election of electors of President and Vice-President of the United States. The number of electors to be chosen shall be equal to the number of Senators and Representatives in Congress to which this State may be entitled. Presidential electors shall not be nominated by primary election; instead, they shall be nominated in a State convention of each political party as defined in G.S. 163-96 unless otherwise provided by the plan of organization of the political party; provided, that in the case of a candidate for President of the United States who has qualified to have his name printed on the general election ballot as an unaffiliated candidate under G.S. 163-122, that candidate shall nominate presidential electors. One presidential elector shall be nominated from each congressional district and two from the state-at-large."

Sec. 2. G.S. 163-209 reads as rewritten:

"§ *163-209. Names of presidential electors not printed on ballots.*

The names of candidates for electors of President and Vice-President nominated by any political party recognized in this State under G.S. 163-96, or nominated under G.S. 163-1(c) by a candidate for President of the United States who has qualified to have his name printed on the general election ballot as an unaffiliated candidate under G.S. 163-122, shall be filed with the Secretary of State but shall not be printed on the ballot. In the case of the unaffiliated candidate, the names of candidates for electors must be filed with the Secretary of State no later than 12:00 noon on the first Friday in August. In place of their names, in accordance with the provisions of G.S. 163-140 there shall be printed on the ballot the names of the candidates for President and Vice-President of each political party recognized in this State, and the name of any candidate for President who has qualified to have his name printed on the general election ballot under G.S. 163-122. A candidate for President who has qualified for the general election ballot as an unaffiliated candidate under G.S. 163-122 shall, no later than 12:00 noon on the first Friday in August, file with the State Board of Elections the name of a candidate for Vice-President, whose name shall also be printed on the ballot. A vote for the candidates named on the ballot shall be a vote for the electors of the party or unaffiliated candidate by which those candidates were nominated and whose names have been filed with the Secretary of State."

Sec. 3. G.S. 163-140(b)(1) reads as rewritten:

"(1) Ballot for Presidential Electors: On the ballot for presidential electors there shall be printed, under the titles of the offices, the names of the candidates for President and Vice-President of the United States nominated by each political party qualified under the provisions of G.S. 163-96, and the names of the unaffiliated candidates for President and Vice-President qualified under the provisions of G.S. 163-122 and G.S. 163-209. A separate column shall be assigned to each political party with candidates on the ballot, and a separate column shall be assigned to each pair of unaffiliated candidates for President and Vice-President, if any, and the ~~party~~ columns shall be separated by distinct black lines. At the head of each party column the party name shall be printed in large type and below it a circle, one-half inch in diameter, and below the circle the names of the party's candidates for President and Vice-President in that order. At the head of the columns for unaffiliated candidates shall be printed in large type the words 'Unaffiliated Candidates', and below it a circle, one-

half inch in diameter, and below the circle the names of a pair of unaffiliated candidates for President and Vice-President. On the face of the ballot, above the party column division, the following instructions shall be printed in heavy black type:

'a. To vote this ballot, make a cross (X) mark in the circle below the name of the political party for whose candidates you wish to vote or below the heading for the unaffiliated candidates for whom you wish to vote.

b. A vote for the names of a political party's candidates for President and Vice-President is a vote for the electors of that party, and a vote for the names of unaffiliated candidates for President and Vice-President is a vote for electors named by the unaffiliated candidate for President, the names of whom are on file with the Secretary of State.

c. If you tear or deface or wrongly mark this ballot, return it and get another.'

On the bottom of the ballot shall be printed an identified facsimile of the signature of the Chairman of the State Board of Elections.

The official ballot for presidential electors shall not be combined with any other official ballots."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 25th day of June, 1992.

S.B. 992 **CHAPTER 783**

AN ACT TO PERMIT A TRUST COMPANY TO BE ACQUIRED BY A BANK HOLDING COMPANY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 53-229 reads as rewritten:

"*§ 53-229. Acquisition and control of certain nonbank banking institutions.*

(a) Notwithstanding any other ~~provision of this Article or any other provision of the General Statutes~~ law of this State, no bank holding company or any other company may acquire or control any banking institution that:

(1) Has offices located in this State; and

(2) Is not a bank as defined in G.S. 53-226(1) of this Article.

For purposes of this section, 'company' means any corporation, partnership, business trust, association, or similar organization, or

any other trust unless by its terms it must terminate within 25 years or not later than 21 years and 10 months after the death of individuals living on the effective date of the trust, and 'banking institution' means any institution organized under Article 2 ~~of Chapter 53 (G.S. 53-2, *et seq.*)~~ or Article 11 of ~~Chapter 53 (G.S. 53-136, *et seq.*) of the General Statutes of this State~~ this Chapter or under Chapter 2 of Title 12 of the United States Code ~~(12 U.S.C. § 21, *et seq.*). Provided, the provisions of G.S. 53-229~~ (12 U.S.C. § 21, *et seq.*).

(b) This section shall not apply ~~to~~ to: (1) applications by any company which is chartered by the Congress of the United States and which application is pending before the Commissioner on July 7, ~~1984; and provided further the provisions of G.S. 53-229 shall not apply to the~~ 1984; and (2) acquisition or control by a bank holding company or any other company of a banking institution that is engaged in doing a trust and fiduciary business ~~that does not receive, solicit, or accept money or its equivalent on deposit as a business if such acquisition or control occurs prior to November 1, 1987,~~ and that does not accept demand deposits as a business."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

S.B. 1004 **CHAPTER 784**

AN ACT TO PROVIDE FOR IMPROVEMENTS IN THE OPERATIONS OF THE FAIR AND BEACH PLANS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-45-35 reads as rewritten:

"*§ 58-45-35. Persons eligible to apply to Association for coverage; contents of application.*

(a) Any person having an insurable interest in insurable property, may, on or after the effective date of the plan of operation, be entitled to apply to the Association for such coverage and for an inspection of the property. ~~Such application may be made on behalf of the applicant by a broker or agent authorized by him.~~ A broker or agent authorized by the applicant may apply on the applicant's behalf. Each application shall contain a statement as to whether or not there are any unpaid premiums due from the applicant for essential property insurance on the property.

The term 'insurable interest' as used in this subsection shall ~~be deemed to~~ include any lawful and substantial economic interest in the safety or preservation of property from loss, destruction or pecuniary damage.

(b) If the Association determines that the property is insurable and that there is no unpaid premium due from the applicant for prior insurance on the property, the ~~Association~~ Association, upon receipt of the premium, or ~~such portion thereof,~~ part of the premium, as is prescribed in the plan of operation, shall cause to be issued a policy of essential property insurance and shall offer additional extended coverage, optional perils endorsements, crime insurance, separate policies of windstorm and hail insurance, or their successor forms of coverage, for a term of one year. Any policy issued ~~pursuant to~~ under the provisions of this section shall be renewed annually, upon ~~application therefor,~~ application, so long as the property meets the definition of 'insurable property' set forth in G.S. 58-45-5(5).

(c) If the Association, for any reason, denies an application and refuses to cause to be issued an insurance policy on insurable property to any applicant or takes no action on an application within the time prescribed in the plan of operation, ~~such~~ the applicant may appeal to the Commissioner and the Commissioner, ~~or a member of his staff designated by him,~~ or the Commissioner's designee from the Commissioner's staff, after reviewing the facts, may direct the Association to issue or cause to be issued an insurance policy to the applicant. In carrying out ~~his~~ the Commissioner's duties ~~pursuant to~~ under this section, the Commissioner may request, and the Association shall ~~provide~~ provide, any information the Commissioner deems necessary to a determination concerning the reason for the denial or delay of the application.

(d) An agent who is licensed under Article 33 of this Chapter as an agent of a company which is a member of the Association established under this Article shall not be deemed an agent of the Association.

(e) Policies of windstorm and hail insurance provided for in subsection (b) of this section are available only for risks for which essential property insurance has been written by licensed insurers. Whenever such other essential property insurance written by licensed insurers includes replacement cost coverage, the Association shall also offer replacement cost coverage. In order to be eligible for a policy of windstorm and hail insurance, the applicant shall provide the Association, along with the premium payment for the windstorm and hail insurance, a certificate that the essential property insurance is in force. ~~Notwithstanding G.S. 58-45-45, the rates, rating plans, and rating rules for windstorm and hail insurance shall be filed by the Association with the Commissioner for his approval.~~ The policy forms for windstorm and hail insurance shall be filed by the Association with the Commissioner for his approval before they may be used."

Sec. 2. G.S. 58-45-45 reads as rewritten:

"§ *58-45-45. Rates, rating plans, rating rules, and forms applicable.*

(a) Except as provided in subsection (b) of this section, the ~~The~~ rates, rating plans, rating rules, and forms applicable to the insurance written by the Association shall be in accordance with the most recent manual rates or adjusted loss costs and forms that are legally in effect in the State. No special surcharge, other than those presently in effect, may be applied to the property insurance rates of properties located in the beach area.

(b) The rates, rating plans, and rating rules for the separate policies of windstorm and hail insurance described in G.S. 58-45-35(b) shall be filed by the Association with the Commissioner for the Commissioner's approval, disapproval, or modification. The provisions of Articles 40 and 41 of this Chapter shall govern the filings."

Sec. 3. G.S. 58-46-55 reads as rewritten:

"§ *58-46-55. Rates, rating plans, rating rules, and forms applicable.*

The rates, rating plans, rating rules, and forms applicable to the insurance written by the association shall be in ~~accord~~ accordance with the most recent manual rates or adjusted loss costs and forms that are legally in effect in this State. No special surcharge, other than those presently in effect, may be applied to the property insurance rates of properties located in the geographic areas to which this Article applies."

Sec. 4. G.S. 58-45-5(5) reads as rewritten:

"(5) 'Insurable property' means real property at fixed locations in the ~~beach areas~~ Beach area ~~of the State as that term is hereinafter defined~~ or the tangible personal property located therein, but shall not include insurance on motor ~~vehicles,~~ vehicles or farm ~~and manufacturing risks,~~ risks; which property is determined by the Association, after inspection and ~~pursuant to~~ under the criteria specified in the plan of operation, to be in an insurable ~~condition: Provided, however,~~ condition. However, any one and two family dwellings built in substantial accordance with the Federal Manufactured Home Construction and Safety Standards, any predecessor or successor federal or State construction or safety standards, and any further construction or safety standards promulgated by the association and approved by the Commissioner, or the North Carolina Uniform Residential Building Code and any structure or building built in substantial compliance with the North Carolina Building Code, including the design-wind requirements, which is not otherwise rendered uninsurable by reason of use or occupancy, shall be an insurable risk within the

meaning of this ~~Article, but~~ Article. However, none of the following factors shall be considered in determining insurable condition: neighborhood, area, location, environmental hazards beyond the control of the applicant or owner of the ~~property shall not be considered in determining insurable condition. Provided further, that~~ property. Also, any structure ~~commenced~~ begun on or after January 1, 1970, not built in substantial compliance with the Federal Manufactured Home Construction and Safety Standards, any predecessor or successor federal or State construction or safety standards, and any further construction or safety standards promulgated by the association and approved by the Commissioner, or the North Carolina Uniform Residential Building Code or the North Carolina Building Code, including the design-wind requirements therein, shall not be an insurable risk. The owner or applicant shall furnish with the application proof in the form of a certificate from a local building inspector, contractor, engineer or architect that the structure is built in substantial accordance with the Federal Manufactured Home Construction and Safety Standards, any predecessor or successor federal or State construction or safety standards, and any further construction or safety standards promulgated by the association and approved by the Commissioner, or the North Carolina Uniform Residential Building Code or the North Carolina Building Code; ~~provided,~~ however, ~~such~~ an individual certificate shall not be necessary ~~in those cases~~ where the structure is located within a political subdivision which has certified to the Association on an annual basis that it is enforcing the North Carolina Uniform Residential Building Code or the North Carolina Building Code and has no plans to discontinue enforcing these codes during that year."

Sec. 5. G.S. 58-45-30 reads as rewritten:

"*§ 58-45-30. Directors to submit plan of operation to Commissioner; review and approval; amendments.*

(a) Within 90 days after April 17, 1969, the directors of the Association shall submit to the Commissioner for his review and approval, a proposed plan of operation. Such proposed plan shall set forth the number, qualifications, terms of office, and manner of election of the members of the board of directors, and shall grant proper credit annually to each member of the Association for essential property insurance voluntarily written in the beach area and shall provide for the efficient, economical, fair and nondiscriminatory

administration of the Association and for the prompt and efficient provision of essential property insurance in the beach areas of North Carolina so as to promote orderly community development in those areas and to provide means for the adequate maintenance and improvement of the property in such areas. Such proposed plan may include a preliminary assessment of all members for initial expenses necessary to the commencement of operation; the establishment of necessary facilities; management of the Association; plan for the assessment of members to defray losses and expenses; underwriting standards; procedures for the acceptance and cession of reinsurance; procedures for determining the amounts of insurance to be provided to specific risks; time limits and procedures for processing applications for insurance and for such other provisions as may be deemed necessary by the Commissioner to carry out the purposes of this Article.

(b) The proposed plan shall be reviewed by the Commissioner and approved by him if he finds that such plan fulfills the purposes provided by G.S. 58-45-1. In the review of the proposed plan the Commissioner may, in his discretion, consult with the directors of the Association and may seek any further information which he deems necessary to his decision. If the Commissioner approves the proposed plan, he shall certify such approval to the directors and the plan shall become effective 10 days after such certification. If the Commissioner disapproves all or any part of the proposed plan of operation he shall return the same to the directors with his written statement for the reasons for disapproval and any recommendations he may wish to make. The directors may alter the plan in accordance with the Commissioner's recommendation or may within 30 days from the date of disapproval return a new plan to the Commissioner. Should the directors fail to submit a proposed plan of operation within 90 days of April 17, 1969, or a new plan which is acceptable to the Commissioner, or accept the recommendations of the Commissioner within 30 days after his disapproval of the plan, the Commissioner shall promulgate and place into effect a plan of operation certifying the same to the directors of the Association. Any such plan promulgated by the Commissioner shall take effect 10 days after certification to the directors: Provided, however, that until a plan of operation is in effect, pursuant to the provisions of this Article, any existing temporary placement facility may be continued in effect on a mandatory basis on such terms as the Commissioner may determine.

(c) The directors of the Association may, subject to the approval of the Commissioner, amend the plan of operation at any time. The Commissioner may review the plan of operation at any time ~~he~~ the Commissioner deems expedient or prudent, but not less than once in

each calendar year. After review of ~~such~~ the plan the Commissioner may amend the plan after consultation with the directors and upon certification to the directors of ~~such~~ the amendment.

(d) The Commissioner may designate the kinds of property insurance policies on principal residences to be offered by the association, including insurance policies under Article 36 of this Chapter, and the commission rates to be paid to agents or brokers for these policies, if ~~he~~ the Commissioner finds, after a hearing held in accordance with G.S. 58-2-50, that the public interest requires the designation. The provisions of Chapter 150B do not apply to any procedure under this paragraph, except that G.S. 150B-39 and G.S. 150B-41 shall apply to a hearing under this paragraph. Within 30 days after the receipt of notification from the Commissioner of a change in designation pursuant to this paragraph, the association shall submit a revised plan and articles of association for approval in accordance with this section.

(e) The Association shall, subject to the Commissioner's approval or modification, provide in the plan of operation for coverage for appropriate classes of manufacturing risks.

(f) As used in this section, 'plan of operation' includes all written rules, practices, and procedures of the Association, except for staffing and personnel matters."

Sec. 6. G.S. 58-46-20 is amended by adding a new subsection to read:

"(d) As used in this section and in G.S. 58-46-15, 'FAIR Plan', 'plan of operation', and 'articles of association' include all written rules, practices, and procedures of the Association, except for staffing and personnel matters."

Sec. 7. Article 45 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-45-85. Assessment; inability to pay.*

If any insurer fails, by reason of insolvency, to pay any assessment as provided in this Article, the amount assessed each insurer shall be immediately recalculated, excluding the insolvent insurer, so that its assessment is assumed and redistributed among the remaining insurers. Any assessment against an insolvent insurer shall not be a charge against any special deposit fund held under the provisions of Article 5 of this Chapter for the benefit of policyholders."

Sec. 8. Within 30 days after the effective date of this act, the North Carolina Insurance Underwriting Association and the North Carolina Joint Underwriting Association shall file, with the Commissioner of Insurance for approval or modification, all written rules, practices, and procedures that are in effect on that date.

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

S.B. 1066 **CHAPTER 785**

AN ACT TO AMEND THE TITLE AND SCOPE OF THE AGRICULTURE, FORESTRY, AND SEAFOOD AWARENESS STUDY COMMISSION BY DELETING SEAFOOD FROM THE COMMISSION'S TITLE AND AREA OF STUDY.

Whereas, the North Carolina General Assembly established a permanent Agriculture, Forestry, and Seafood Awareness Commission in 1985; and

Whereas, in the 1989 Session, the General Assembly made permanent the Joint Legislative Commission on Seafood and Aquaculture; and

Whereas, the activities of the two Commissions are duplicative as regards aquaculture and the seafood industry; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. G.S. 120-150 reads as rewritten:

"*§ 120-150. Creation; appointment of members.*

There is created an ~~Agriculture, Forestry, and Seafood~~ Agriculture and Forestry Awareness Study Commission. Members of the Commission shall be citizens of North Carolina who are interested in the vitality of the ~~agriculture, forestry, and seafood~~ agriculture and forestry sectors of the State's economy. Members shall be as follows:

(1) Three appointed by the Governor;
(2) Three appointed by the President of the Senate;
(3) Three appointed by the Speaker of the House;
(4) The chairman of the House Agriculture Committee;
(5) The chairman of the Senate Agriculture Committee;
(6) The Commissioner of Agriculture or his designee;
(7) A member of the Board of Agriculture designated by the chairman of the Board of Agriculture;
(8) The President of the North Carolina Farm Bureau Federation, Inc., or his designee;
(9) The Master of the North Carolina State Grange or his designee; and
(10) The Secretary of the Department of Environment, Health, and Natural ~~Resources.~~ Resources or his designee.

Members shall be appointed for two-year terms beginning October 1 of each odd-numbered year. The cochairmen of the Commission

shall be the chairmen of the Senate and House Agriculture Committees respectively."

Sec. 2. G.S. 120-151 reads as rewritten:

"§ *120-151. Advisory Committee.*

Upon proper motion and by a vote a majority of the members present, the Commission may appoint an Advisory Committee. Members of the Advisory Committee should be from the various organizations, commodity groups, associations, and councils representing ~~agriculture, forestry, and seafood.~~ agriculture and forestry. The purpose of the Advisory Committee shall be to render technical advice and assistance to the Commission. The Advisory Committee shall consist of no more than 20 members plus a chairman who shall be appointed by the cochairmen of the Commission."

Sec. 3. G.S. 120-154 reads as rewritten:

"§ *120-154. Duties.*

The Commission shall bring to the attention of the General Assembly the influence of ~~agriculture, forestry, and seafood~~ agriculture and forestry on the economy of the State, develop alternatives for increasing the public awareness of ~~agriculture, forestry, and seafood,~~ agriculture and forestry, study the present status of ~~agriculture, forestry, and seafood,~~ agriculture and forestry, identify problems limiting future growth and development of the industry, develop an awareness of the importance of science and technological development to the future of ~~agriculture, forestry, and seafood~~ agriculture and forestry industries, and formulate plans for new State initiatives and support for ~~agriculture, forestry, and seafood~~ agriculture and forestry and for the expansion of opportunities in these sectors.

In conducting its study the Commission may hold public hearings and meetings across the State.

The Commission shall report to the General Assembly at least one month prior to the first regular session of each General Assembly."

Sec. 4. G.S. 143-318.14A(a) reads as rewritten:

"(a) Except as provided in subsection (c) below, all official meetings of commissions, committees, and standing subcommittees of the General Assembly (including, without limitation, joint committees and study committees), shall be held in open session. For the purpose of this section, the following also shall be considered to be 'commissions, committees, and standing subcommittees of the General Assembly':

(1) The Legislative Research Commission;
(2) The Legislative Services Commission;
(3) The Advisory Budget Commission;
(4) The Joint Legislative Utility Review Committee;

(5) The Joint Legislative Commission on Governmental Operations;
(6) The Joint Legislative Commission on Municipal Incorporations;
(7) The Commission on the Family;
(8) The Joint Select Committee on Low-Level Radioactive Waste;
(9) The Environmental Review Commission;
(10) The Joint Legislative Highway Oversight Committee;
(11) The Joint Legislative Education Oversight Committee;
(12) The Joint Legislative Commission on Future Strategies for North Carolina;
(13) The Commission on Children with Special Needs;
(14) The Legislative Committee on New Licensing Boards;
(15) The ~~Commission on Agriculture, Forestry, and Seafood Awareness;~~ Agriculture and Forestry Awareness Study Commission;
(16) The North Carolina Study Commission on Aging; and
(17) The standing Committees on Pensions and Retirement."

Sec. 5. This act becomes effective January 1, 1993.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

S.B. 1156 **CHAPTER 786**

AN ACT TO ALLOW CLOSED-LOOP GROUNDWATER REMEDIATION SYSTEMS.

The General Assembly of North Carolina enacts:

Section 1. The General Assembly finds that, in order to protect public health and the environment, groundwater contamination should be cleaned up in the most efficient and cost-effective manner possible. To that end, the General Assembly finds that it is in the public interest to allow the use of all types of closed-loop groundwater remediation systems. The original purpose of G.S. 143-214.2(b) was to prohibit disposal of waste in underground injection wells. The General Assembly finds that the disposal of waste in underground injection wells should continue to be prohibited. However, the General Assembly finds that G.S. 143-214.2(b) has had the unintended effect of prohibiting the use of closed-loop groundwater remediation systems in North Carolina, even though such systems are accepted and used effectively in other states. Thus, the General Assembly finds and declares that the use of closed-loop groundwater remediation systems

should be allowed and, where these systems are the most efficient and cost-effective remediation systems, encouraged.

Sec. 2. G.S. 143-214.2(b) reads as rewritten:

"(b) The discharge of any wastes to the subsurface or groundwaters of the State by means of wells is prohibited. This section shall not be construed to prohibit the operation of closed-loop groundwater remediation systems in accordance with G.S. 143-215.1A."

Sec. 3. Part 1 of Article 21 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"*§ 143-215.1A. Closed-loop groundwater remediation systems allowed.*

(a) The phrase 'closed-loop groundwater remediation system' means a system and attendant processes for cleaning up contaminated groundwater by pumping groundwater, treating the groundwater to reduce the concentration of or remove contaminants, and reintroducing the treated water beneath the surface so that the treated groundwater will be recaptured by the system.

(b) The Secretary may issue a permit for the siting, construction, and operation of a closed-loop groundwater remediation system. Permits shall be issued in accordance with G.S. 143-215.1 and applicable rules of the Commission. A permit issued under this section constitutes prior permission under G.S. 87-88.

(c) A permit for a closed-loop groundwater remediation system shall specify the location at which groundwater is to be reintroduced and shall specify design, construction, operation, and closure requirements for the closed-loop groundwater remediation system necessary to ensure that the treated groundwater will be captured by the contaminant and removal system that extracts the groundwater for treatment. The Secretary may impose any additional permit conditions or limitations necessary to:

(1) Achieve efficient, effective groundwater remediation.

(2) Minimize the possibility of spills or other releases from the closed-loop groundwater remediation system.

(3) Specify or limit the distance between the point at which contaminated groundwater is extracted and the point at which treated groundwater is reintroduced.

(4) Specify the minimum or maximum gradients between the point at which contaminated groundwater is extracted and the point at which treated groundwater is reintroduced.

(5) Specify or limit the chemical, physical, or biological treatment processes that may be used.

(6) Protect the environment or public health.

(d) The Commission may adopt rules to implement this section."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 357 **CHAPTER 787**

AN ACT TO SPECIFY THE POWERS OF THE BOARD OF MEDICAL EXAMINERS REGARDING REAL PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-2 is amended by adding a new subsection to read:

"(e) The Board of Medical Examiners shall have the power to acquire, hold, rent, encumber, alienate, and otherwise deal with real property in the same manner as any private person or corporation, subject only to approval of the Governor and the Council of State as to the acquisition, rental, encumbering, leasing, and sale of real property. Collateral pledged by the Board for an encumbrance is limited to the assets, income, and revenues of the Board."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1369 **CHAPTER 788**

AN ACT TO AMEND THE GENERAL STATUTES RELATING TO SHELLFISH LEASES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 113-184(a) reads as rewritten:

"(a) It is unlawful to carry aboard any vessel subject to licensing requirements under Article 14 under way or at anchor in coastal fishing waters during the regular closed oyster season any scoops, scrapes, dredges, or winders such as are usually or can be used for taking oysters. Provided that when such vessels are engaged in lawfully permitted oyster harvesting operations on any privately held shellfish bottom lease under G.S. 113-202 or G.S. 113-205, the vessel shall be exempt from this requirement."

Sec. 2. G.S. 113-202(n) reads as rewritten:

"(n) Upon final termination of any leasehold, the bottom in question is thrown open to the public for use in accordance with laws and rules governing use of public grounds generally. ~~Agents of the Secretary are required as soon as possible after termination of lease to remove all markers denominating the area of the leasehold as a private bottom.~~ Within 30 days of final termination of the leasehold, the

former leaseholder shall remove all abandoned markers denominating the area of the leasehold as a private bottom. The State may, after 10 days' notice to the owner of the abandoned markers thereof, remove the abandoned structure and have the area cleaned up. The cost of such removal and cleanup shall be payable by the owner of the abandoned markers and the State may bring suit to recover the costs thereof."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1411 **CHAPTER 789**

AN ACT TO REMOVE THE CITY OF KINSTON'S LOCAL MODIFICATIONS TO G.S. 58-84-30 AND G.S. 58-84-35.

The General Assembly of North Carolina enacts:

Section 1. Chapters 944 and 945 of the 1985 Session Laws, Regular Session 1986, are repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1423 **CHAPTER 790**

AN ACT CONCERNING THE CONSENT OF NEW HANOVER AND PENDER COUNTIES WITH REGARD TO CERTAIN LAND ACQUISITIONS IN THOSE COUNTIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-15(c) reads as rewritten:

"(c) This section applies to Anson, Ashe, Bertie, Bladen, Brunswick, Burke, Buncombe, Caldwell, Caswell, Cleveland, Columbus, Davidson, Davie, Forsyth, Franklin, Granville, Harnett, Haywood, Henderson, Jackson, Johnston, Lee, Madison, Martin, Montgomery, New Hanover, Pender, Person, Rockingham, Rowan, Sampson, Stokes, Swain, Transylvania, Union, Vance, Warren, and Wilkes counties only."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1424 **CHAPTER 791**

AN ACT TO INCREASE THE SUPPLEMENTAL RETIREMENT BENEFITS FOR THE FIREFIGHTERS OF THE CITY OF SHELBY.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 209 of the 1985 Session Laws, as amended by Chapter 985 of the 1987 Session Laws, reads as rewritten:

"Sec. 2. Supplemental Retirement Benefits. (a) Each retired full-time member of the City of Shelby Fire Department who retires with 20 years service or more as a member of the City of Shelby Fire Department and who retired subsequent to attaining the age of 55 years, shall be entitled to and shall receive an annual supplemental retirement benefit equal to one share for each full year of service as a member of the City of Shelby Fire Department; provided, in no event shall any retired member of the City of Shelby Fire Department be entitled to or receive in any year an annual benefit in excess of ~~eighteen hundred dollars ($1,800).~~ three thousand dollars ($3,000).

(b) Each retired member of the City of Shelby Fire Department Volunteers who retires with 20 years service or more as a member of the City of Shelby Fire Department Volunteers, and who retired subsequent to attaining the age of 55 years, shall be entitled to and shall receive an annual benefit equal to one quarter of one share for each full year of service as a member of the City of Shelby Fire Department Volunteers; provided, in no event shall any retired member of the City of Shelby Fire Department Volunteers be entitled to or receive in any year an annual benefit in excess of ~~six hundred dollars ($600.00).~~ eight hundred dollars ($800).

(c) Any former member of the City of Shelby Fire Department who is not otherwise entitled to supplemental retirement benefits under this section, shall nevertheless be entitled to such benefits in any calendar year in which the Board of Trustees makes the following written findings of fact:

(1) That they initially retired from their position as a member of the City of Shelby Fire Department because of their inability, by reason of sickness or injury, to perform the normal duties of an active member of the City of Shelby Fire Department; and

(2) That, within 30 days prior to or following their initial retirement as a member of the City of Shelby Fire Department at least two physicians licensed to practice medicine in North Carolina certified that they were at such

time unable, by reason of sickness or injury, to perform the normal duties of an active member of the City of Shelby Fire Department; and

(3) That, at the time of their initial retirement as a member of the City of Shelby Fire Department, there was not available to them in the fire department or in any other department of the City a position of employment with normal duties that they were capable of performing; and

(4) That, since the preceding January 1, at least two physicians licensed to practice medicine in North Carolina have certified that they remain unable, by reason of sickness or injury, to perform the normal duties of an active member of the City of Shelby Fire Department; and

(5) That there is not available to them in the fire department or in any other department of the City a position of employment with normal duties after initially making the findings of fact specified in subdivisions (1), (2), and (3) of this subsection.

The Board of Trustees need not specify these findings in subsequent calendar years."

Sec. 2. None of the provisions of this act shall create a liability for the Shelby Local Firemen's Relief Fund unless sufficient current assets are available to pay fully for the liability.

Sec. 3. This act becomes effective January 1, 1993.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1425 **CHAPTER 792**

AN ACT TO REWRITE THE LAW REGARDING THE LUMBERTON FIREMEN'S SUPPLEMENTAL FUND.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 357 of the 1989 Session Laws as amended by Section 48 of Chapter 770 of the 1989 Session Laws, which rewrote Section 1 of Chapter 100 of the 1955 Session Laws as amended by Chapter 960 of the 1973 Session Laws, reads as rewritten:

"Sec. 1. There is established a Supplementary Pension Fund for the Fire Department of the City of Lumberton, this fund is to be known as the 'Lumberton Firemen's Supplementary Fund,' hereinafter referred to as 'Supplementary Pension Fund,' and this fund is to be maintained by the board of trustees of the Local Firemen's Relief Fund of the City of Lumberton, the board being the board established in accordance with ~~G.S. 118-6,~~ G.S. 58-84-30,

hereinafter called the board of trustees. The board of trustees shall maintain books of account for the 'Supplementary Pension Fund' separate from the books of account of the Firemen's Relief Fund of the City of Lumberton. The board of trustees shall pay into the Supplementary Pay Fund the funds prescribed by Section 2 of this act.

Sec. 2. All funds in the Firemen's Relief Fund of the City of Lumberton in excess of five hundred dollars ($500.00) shall be transferred to the 'Supplementary Pension Fund' so as to leave in the Firemen's Relief Fund an amount not greater than five hundred dollars ($500.00) at any time.

Sec. 3. Anyperson who is a full time paid member of the Lumberton Fire Department, as shown by the records of the City of Lumberton as of February 25, 1955, or any person who shall become a full-time paid member thereafter shall be eligible for benefits from the 'Supplementary Pension Fund': Provided that no such person shall be eligible for benefits from the 'Supplementary Pension Fund' unless or until the person has been retired as a member of the Lumberton Fire Department under the provisions of the ~~retirement system for counties, cities and towns~~ North Carolina Local Governmental Employees' Retirement System as set out in Article 3 of Chapter 128 of the General Statutes ~~of North Carolina~~ and as participated in by the City of Lumberton. It is further provided that this act does not modify or alter in any way the Workers' Compensation Laws of the State of North Carolina.

Sec. 4. Any full time paid member of the fire department who retires or is retired under the provisions of Section 3 of this act shall receive monthly for the remainder of his life from the 'Supplementary Pension Fund' an amount equal to two dollars and fifty cents ($2.50) for each full year of service with the Fire ~~Department.~~ Department, with the exception that, if a person who has been retired as a member of the Lumberton Fire Department is receiving disability retirement benefits under the provisions of the North Carolina Local Governmental Employees' Retirement System as set out in Article 3 of Chapter 128 of the General Statutes and as participated in by the City of Lumberton, that person shall receive from the Fund the benefit amount equivalent to which a person retired with 30 years of service is entitled. If, for any reason, the Fund created and made available for any purpose covered by this Chapter shall be insufficient to pay in full any pension benefits, or other changes, then all benefits and payments shall be reduced pro rata for as long as the deficiency in amount exists. No claim shall accrue with respect to any amount by which a pension or benefit payment shall have been reduced.

Sec. 5. The board of trustees shall administer and maintain, through the finance officer of the City of Lumberton, the

'Supplementary Pension Fund,' and, to the extent that monies are available for such purpose, shall pay the beneficiaries thereof on the first day of each and every month any monies that the beneficiaries may be entitled to under the provisions of this act. The finance officer and city manager of the City of Lumberton shall serve as ex officio members of the board of trustees without privilege of voting on matters before the board.

Sec. 6. The board of trustees shall bond the treasurer of the board of trustees with a good and sufficient bond, in an amount at least equal to the amount of funds in his control, payable to the board of trustees, and conditioned upon the faithful performance of his duties; this bond shall be in lieu of the bond required by ~~G.S. 118-6.~~ G.S. 58-84-30. The board of trustees is hereby authorized to pay the premiums for the bond of the treasurer from the supplemental retirement fund.

Sec. 7. The board of trustees shall invest any funds either of the 'Supplementary Pension Fund' or the Firemen's Relief Fund of the City of Lumberton, only in investments permissible for investment by a local government or public authority. The investment program shall be so managed that investments and deposits can be converted into cash when needed for the prompt payment of claims and expenses.

Sec. 8. The board of trustees as herein provided for may, in its discretion, take and receive any gift, grant, bequest, or devise or any real or personal property or other things of value for, and as, the property of the said 'Supplementary Pension Fund' and transfer the same to be added to the other assets of the 'Supplementary Pension Fund.'

Sec. 9. The provisions of former Chapter ~~118~~ 118, now Chapter 58, of the General Statutes ~~of North Carolina~~ creating a Firemen's Relief Fund are repealed as to the City of Lumberton insofar and only insofar as the provisions are inconsistent with and contradictory to the provisions of this act.

Sec. 10. All laws and clauses of laws in conflict with the provisions of this act are hereby repealed."

Sec. 2. None of the provisions of this act shall create an additional liability for the Lumberton's Firemen's Supplementary Fund unless sufficient assets are available to pay for the liability.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1441 **CHAPTER 793**

AN ACT TO ALLOW THE CITY OF MOUNT AIRY AND THE COUNTY OF ASHE TO TAKE INTO CONSIDERATION PROSPECTIVE REVENUES GENERATED BY THE DEVELOPMENT IN ARRIVING AT THE AMOUNT OF CONSIDERATION FOR AN ECONOMIC DEVELOPMENT CONVEYANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 158-7.1(d1) reads as rewritten:

"(d1) In arriving at the amount of consideration that it receives, the Board may take into account prospective tax revenues from improvements to be constructed on the property, prospective sales tax revenues to be generated in the area, as well as any other prospective tax revenues or income coming to the county or city over the next 10 years as a result of the conveyance or lease provided the following conditions are met:

(1) The governing board of the county or city shall determine that the conveyance of the property will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs in the county or city.

(2) The governing board of the county or city shall contractually bind the purchaser of the property to construct improvements on the property within a specified period of time, not to exceed 10 years, which improvements are sufficient to generate the tax revenue taken into account in arriving at the consideration. Upon failure to construct the improvements specified in the contract, the purchaser shall reconvey the property back to the county or city.

This subsection applies to the Cities of Concord, Kannapolis, Mooresville, Mount Airy, St. Pauls, Selma, Smithfield, Statesville, Troutman, and Winston-Salem, and the Counties of Ashe, Cabarrus, Forsyth, Iredell, and Johnston."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1470 **CHAPTER 794**

AN ACT TO AUTHORIZE THE TOWNS OF HOLDEN BEACH, SUNSET BEACH, LONG BEACH, TOPSAIL BEACH, NORTH TOPSAIL BEACH AND SURF CITY TO CREATE SEA TURTLE SANCTUARIES.

The General Assembly of North Carolina enacts:

Section 1. The towns of Holden Beach, Sunset Beach, Long Beach, Topsail Beach, North Topsail Beach and Surf City may each create and establish sea turtle sanctuaries within the areas of the town limits above the mean low watermark, to include the foreshore. Any ordinance adopted by the towns to regulate activities within the sea turtle sanctuaries which may or will disturb or destroy a sea turtle, a sea turtle nest, or sea turtle eggs must be consistent with the ordinance powers found in G.S. 160A-174, G.S. 160A-308, and any other law. The ordinances adopted by each town may by cross-reference incorporate the criminal statutes regarding the taking of sea turtles at G.S. 113-189 and G.S. 113-337. It shall be unlawful for any person within the sea turtle sanctuaries to disturb or destroy a sea turtle, a sea turtle nest, or sea turtle eggs in violation of an ordinance adopted by the towns of Holden Beach, Sunset Beach, Long Beach, Topsail Beach, North Topsail Beach and Surf City.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1474 **CHAPTER 795**

AN ACT TO PROHIBIT HUNTING FROM PUBLIC ROADS IN DAVIDSON COUNTY.

The General Assembly of North Carolina enacts:

Section 1. It is unlawful for any person to hunt, take, or kill a wild animal or wild bird with a firearm, or to discharge a firearm, from, on, or across the right-of-way of any numbered, State-maintained road, without first obtaining written permission of the owner or lessee of the land abutting the road or the land across which the firearm is being discharged.

Sec. 2. Violation of this act is a misdemeanor punishable by a fine of not less than fifty dollars ($50.00) nor more than two hundred dollars ($200.00), by imprisonment not to exceed 30 days, or by both, in the discretion of the court.

Sec. 3. This act is enforceable by law enforcement officers of the Wildlife Resources Commission, by sheriffs and deputy sheriffs, and by peace officers with general subject matter jurisdiction.

Sec. 4. This act applies only to Davidson County.

Sec. 5. This act becomes effective October 1, 1992, and applies to offenses occurring on or after that date.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1486 **CHAPTER 796**

AN ACT TO PROHIBIT HUNTING ON OR ACROSS STATE ROAD 1205 IN CAMDEN COUNTY.

The General Assembly of North Carolina enacts:

Section 1. It is unlawful to hunt, take, or kill any wild animal or wild bird with a firearm or other lethal weapon, or to discharge a firearm from, on, or across the right-of-way of State Road 1205, known as Shipyard Road, in Camden County.

Sec. 2. Violation of this act is a misdemeanor punishable by a fine of not less than fifty dollars ($50.00) or by imprisonment not to exceed 30 days, or both, in the discretion of the court.

Sec. 3. This act is enforceable by law enforcement officers of the Wildlife Resources Commission, by sheriffs and deputy sheriffs, and by peace officers with general subject matter jurisdiction.

Sec. 4. This act applies only to Camden County.

Sec. 5. This act becomes effective October 1, 1992, and applies to offenses occurring on or after that date.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1491 **CHAPTER 797**

AN ACT TO INCREASE THE FINE FOR VIOLATION OF ANY REGULATION OF THE LAKE NORMAN MARINE COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. Subsection (b) of Section 8 of Chapter 1089 of the 1969 Session Laws reads as rewritten:

"(b) Violation of any regulation of the Commission commanding or prohibiting an act shall be a misdemeanor punishable by a fine not to exceed ~~fifty dollars ($50.00).~~ five hundred dollars ($500.00) per violation."

Sec. 2. This act becomes effective September 1, 1992, and applies to acts committed on and after that date.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1524 **CHAPTER 798**

AN ACT TO REWRITE THE LAW ESTABLISHING THE SUPPLEMENTARY PENSION FUND FOR FIREMEN IN THE CITY OF SANFORD.

The General Assembly of North Carolina enacts:

Section 1. Chapter 1155 of the 1971 Session Laws and Chapter 353 of the 1975 Session Laws are repealed.

Sec. 2. There is established a supplementary pension fund for the Fire Department of the City of Sanford, this fund to be known as the Sanford Firemen's Supplementary Pension Fund, and to be administered by a board of trustees, known as the trustees of the Firemen's Supplementary Pension Fund. The board of trustees of the fund shall be composed of five members, two of whom shall be elected by the members of the fire department. The remaining three shall be the City Manager, the City Finance Director, and the Chief of the Fire Department of the City of Sanford.

The members of the fire department shall hold an election on the first Tuesday of each July to elect their representatives to the board of trustees. On the first Tuesday in July, 1992, members of the fire department shall elect one member to serve for a term of two years and one member to serve for a term of one year. On that date in each year thereafter the fire department shall elect one member to serve for a term of two years.

The City Manager, the City Finance Director, and the Chief of the Sanford Fire Department shall serve ex officio.

The City Finance Director, as a member of the board of trustees, shall be treasurer and custodian of the fund and shall pay the beneficiaries in the manner prescribed by the provisions of this act. The treasurer of the board of trustees shall give a good and sufficient bond, in a sum equal to the amount of moneys at hand, to be approved by the board of trustees, for the faithful and proper discharge of the duties of his office.

Sec. 3. The Board of Trustees of the Firemen's Relief Fund of the City of Sanford shall, as of July 1, 1992, transfer all funds in excess of ten thousand dollars ($10,000) to the Sanford Firemen's Supplementary Pension Fund, and any moneys coming into the Firemen's Relief Fund under the provisions of Chapter 58 of the General Statutes, that will increase the fund to an amount in excess of ten thousand dollars ($10,000), shall be transferred immediately to the Supplementary Pension Fund so as to leave in the Firemen's Relief Fund an amount not to exceed ten thousand dollars ($10,000) at any time. If, at any time, the amount of funds in the Firemen's Relief

Fund is less than the sum of five thousand dollars ($5,000), then the Board of Trustees of the Sanford Firemen's Supplementary Pension Fund shall transfer, at any time, back to the Firemen's Relief Fund sums as are necessary to maintain within the Firemen's Relief Fund the sum of ten thousand dollars ($10,000).

Sec. 4. Any person who has been a full-time paid member or a volunteer member of the Sanford Fire Department, as shown by the records of the City of Sanford, or any person who shall become such a full-time paid or volunteer member, shall be eligible for benefits from the Sanford Firemen's Supplementary Pension Fund. Provided, that no such person shall be eligible for benefits from the Sanford Firemen's Supplementary Pension Fund unless or until that person has been retired as a member of the Sanford Fire Department with at least 20 years of continuous service and unless that person has reached the age of 60. It is further provided that this act does not modify or alter in any way the Workers' Compensation Act.

Sec. 5. Any full-time paid or volunteer member of said fire department, who retires or is retired under the provisions of Section 3 of this act, shall receive an annuity to provide annually for the remainder of his life, with 10 years certain, from the Sanford Firemen's Supplementary Pension Fund an amount equal to the following:

Years of Service	Annual Benefit
20	$ 1,000
25	$ 1,250
30	$ 1,500

In the event of death of the retiree, before receiving 10 years of benefits, the retiree's beneficiary will receive the remainder of the 10-year certain portion of the annuity.

Any retiree under this plan may choose to receive a lump sum payment at the time of retirement in lieu of the annuity. This lump sum will equal the amount required to purchase the annuity at the time of retirement.

Sec. 6. The Treasurer of the Sanford Firemen's Supplementary Pension Fund shall be custodian of the fund and shall purchase annuities for its beneficiaries upon their retirement, with annual payments to be made January 1st of each subsequent year. Necessary expenses, such as office supplies and the premium on the treasurer's bond, shall be paid out of the Supplementary Pension Fund.

Sec. 7. The Treasurer of the Sanford Firemen's Supplementary Pension Fund, subject to the approval of the board of trustees of the fund, shall invest all funds coming into the Treasurer's possession belonging to the fund, except so much as the board of trustees from time to time may determine is reasonably necessary for the prompt

payment of claims and expenses, in securities as the board of trustees shall select; provided, that those securities shall be limited to the same conditions as enumerated by the General Statutes of North Carolina, as described in G.S. 159-30.

Sec. 8. The Board of Trustees of the Supplementary Pension Fund may, in its discretion, take and receive any gift, grant, bequest, or devise of any real or personal property or other things of value for, and as, the property of the Sanford Firemen's Supplementary Pension Fund and hold, disburse, and invest the same for the use of said fund in accordance with the purpose of this act and the conditions attached to any such gift, grant, bequest, or devise not inconsistent with the purposes of this act.

Sec. 9. The Board of Trustees of the Sanford Firemen's Supplementary Pension Fund shall revalue the fund at the end of each five-year period, and, if in the opinion of the board of trustees, the fund as increased to such an extent that its solvency will not be impaired, the board of trustees may pay supplemental benefits to those firemen retired under this act, and those who may retire in the future, the amount of supplemental benefits to be determined by the board of trustees.

Sec. 10. The provisions of Chapter 58 of the General Statutes creating a Firemen's Relief Fund are repealed as to the City of Sanford insofar and only so far as said provisions are inconsistent with and contradictory to the provisions of this act.

Sec. 11. None of the provisions of this act shall create an additional liability for the City of Sanford's Supplementary Pension Fund unless there are sufficient current assets available to pay fully for the liability.

Sec. 12. All laws and clauses of laws in conflict with this act are hereby repealed.

Sec. 13. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1535 **CHAPTER 799**

AN ACT TO AUTHORIZE THE CITY OF CONOVER TO TAKE INTO CONSIDERATION PROSPECTIVE REVENUES GENERATED BY THE DEVELOPMENT IN ARRIVING AT THE AMOUNT OF CONSIDERATION FOR AN ECONOMIC DEVELOPMENT CONVEYANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 158-7.1(d1) reads as rewritten:

"(d1) In arriving at the amount of consideration that it receives, the Board may take into account prospective tax revenues from improvements to be constructed on the property, prospective sales tax revenues to be generated in the area, as well as any other prospective tax revenues or income coming to the county or city over the next 10 years as a result of the conveyance or lease provided the following conditions are met:

(1) The governing board of the county or city shall determine that the conveyance of the property will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs in the county or city.

(2) The governing board of the county or city shall contractually bind the purchaser of the property to construct improvements on the property within a specified period of time, not to exceed 10 years, which improvements are sufficient to generate the tax revenue taken into account in arriving at the consideration. Upon failure to construct the improvements specified in the contract, the purchaser shall reconvey the property back to the county or city.

This subsection applies to the Cities of Concord, Conover, Kannapolis, Mooresville, St. Pauls, Selma, Smithfield, Statesville, Troutman, and Winston-Salem, and the Counties of Cabarrus, Forsyth, Iredell, and Johnston."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1556 **CHAPTER 800**

AN ACT TO REWRITE THE LAW REVISING AND CONSOLIDATING THE CHARTER OF THE CITY OF LENOIR AS IT RELATES TO THE CITY OF LENOIR'S FIREMEN'S SUPPLEMENTAL RETIREMENT FUND.

The General Assembly of North Carolina enacts:

Section 1. Section 5.2 of the Charter of the City of Lenoir, as revised and consolidated in Section 1 of Chapter 118 of the 1977 Session Laws, as amended by Chapter 291 of the 1981 Session Laws reads as rewritten:

"Sec. 5.2. *Firemen's supplemental retirement fund.* A. The board of trustees of the local firemen's relief fund of the City of Lenoir, as established in accordance with ~~G.S. 118-6,~~ G.S. 58-84-30, hereinafter called the board of trustees, shall create and maintain a separate fund to be called the Lenoir Firemen's Supplemental Retirement Fund,

hereinafter called the supplemental retirement fund, and shall maintain books of account for such fund separate from the books of account of the firemen's local relief fund of the City of Lenoir hereinafter called the local relief fund. The board of trustees shall pay into the supplemental retirement fund the funds prescribed by this section.

B. ~~Notwithstanding the provisions of G.S. 118-7,~~ Notwithstanding the provisions of G.S. 58-84-35, the board of trustees of the local firemen's relief fund of the city shall:

(1) ~~prior~~ Prior to July 1, 1974, transfer to the supplemental retirement fund all funds, including earnings on investments, of the local relief fund in excess of ~~seventy-five thousand dollars ($75,000);~~ twenty-five thousand dollars ($25,000);

(2) ~~at~~ At any time when the amount of funds in the local relief fund ~~shall~~ shall, by reason of disbursements authorized by ~~G.S. 118-7,~~ G.S. 58-84-35, be less than ~~seventy-five thousand dollars ($75,000)~~ twenty-five thousand dollars ($25,000), transfer from the supplemental retirement fund to the local relief fund an amount sufficient to maintain in the local relief fund the sum of ~~seventy-five thousand dollars ($75,000);~~ twenty-five thousand dollars ($25,000);

(3) ~~as~~ As soon as practicable after July 1 of each year, divide the sum of the annual funds paid to the local relief fund by authority of ~~G.S. 118-5,~~ G.S. 58-84-30, the income earned in the preceding fiscal year upon investments of funds belonging to the local relief fund and the income earned in the preceding fiscal year upon investments of funds belonging to the supplemental retirement fund into equal amounts and disburse the same as supplemental retirement benefits in accordance with subsection C hereof. Provided, however, in the event the total amount of these funds in any fiscal year exceeds the total of the benefit limits of ~~seven hundred twenty dollars ($720.00)~~ one thousand two hundred dollars ($1,200) per annum per eligible person, as set forth in subsection C of this section such excess amount shall become a part of the supplemental retirement fund.

C. Each fully-paid or volunteer active city fireman who retired after July 1, 1974, with 20 years or more service and has attained the age of 60 shall be entitled to and shall receive in each fiscal year following the fiscal year in which he retires an annual supplemental retirement benefit, provided, in no event shall any retired fireman be entitled to or receive in any year an annual benefit in excess of ~~seven hundred twenty dollars ($720.00),~~ one thousand two hundred dollars ($1,200).

Any fireman of the city who is not otherwise entitled to supplemental retirement benefits under the first paragraph of this subsection shall nevertheless be entitled to such benefits in any fiscal year in which the board of trustees makes the following written findings of fact:

(1) ~~that~~ That he initially retired from his position as fireman because of his inability, by reason of sickness or injury, to perform the normal duties of an active fireman; and

(2) ~~that,~~ That, within 30 days prior to or following his initial retirement as a fireman, at least two physicians licensed to practice medicine in North Carolina certified that he was at such time unable, by reason of sickness or injury, to perform the normal duties of an active fireman; and

(3) ~~that,~~ That, at the time of his initial retirement as a fireman, there was not available to him in the fire department or in any other department of the city a position of employment the normal duties of which he was capable of performing.

D. It is the intention of subsection C hereof to authorize the disbursement as supplemental retirement benefits only of the income derived in any fiscal year from funds received from subsection B, part (3). It is the intention of subsection B of this section to require that the funds paid into the supplemental retirement fund pursuant to parts (1) and (3) thereof shall be held in trust, and that no funds paid into the supplemental retirement fund pursuant to parts (1) and (3) thereof or as a gift, grant, bequest, or donation to such fund shall ever be disbursed except as and when required by part (2).

E. The board of trustees is hereby authorized to invest any funds, either of the local relief fund or of the supplemental retirement fund, in any investment named in or authorized by G.S. 159-28.1, only in accordance with the provisions thereof, and is hereby directed to invest all of the funds of the supplemental retirement fund in one or more of such investments.

F. The board of trustees is hereby authorized to accept any gift, grant, bequest, or donation of money for the use of the supplemental retirement funds.

G. The board of trustees shall bond the treasurer of the local relief fund with a good and sufficient bond, in an amount at least equal to the amount of funds in his control, payable to the board of trustees, and conditioned upon the faithful performance of his duties; such bond shall be in lieu of the bond required by ~~G.S. 118-6.~~ G.S. 58-84-30. The board of trustees shall pay from the local relief fund the premiums of the bond of the treasurer."

Sec. 2. Nothing in this act creates an additional liability for the City of Lenoir's Firemen's Supplemental Retirement Fund unless there are sufficient assets in the Fund to pay for the liability.

Sec. 3. This act applies to the City of Lenoir only.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

H.B. 1576 **CHAPTER 801**

AN ACT TO ALLOW EMERALD ISLE TO REGULATE PERSONAL WATERCRAFT OPERATION.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 494 of the 1991 Session Laws reads as rewritten:

"Sec. 2. Section 1 of this act applies to the Towns of Atlantic Beach, Carolina Beach, Caswell Beach, Emerald Isle, Holden Beach, Long Beach, Ocean Isle Beach, Sunset Beach, Topsail Beach, Wrightsville Beach, and Yaupon Beach only."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of June, 1992.

S.B. 726 **CHAPTER 802**

AN ACT CONCERNING THE WORKERS' COMPENSATION SECURITY FUNDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-48-10 reads as rewritten:

"*§ 58-48-10. Scope.*

This Article shall apply to all kinds of direct insurance, but shall not be applicable to:

(1) Life, annuity, accident and health or disability insurance;

(2) Mortgage guaranty, financial guaranty or other forms of insurance offering protection against investment risks;

(3) Fidelity or surety bonds, or any other bonding obligations;

(4) Credit insurance, vendors' single interest insurance, collateral protection insurance, or any similar insurance protecting the interests of a creditor arising out of a creditor-debtor transaction;

(5) Insurance of warranties or service contracts;

(6) Title insurance;

(7) Ocean marine insurance;

~~(8) Workers' compensation and employers' liability insurance;~~

(9) Any transaction or combination of transactions between a person (including affiliates of such person) and an insurer (including affiliates of such insurer) which involves the transfer of investment or credit risk unaccompanied by transfer of insurance risk;

(10) Insurance written on a retroactive basis to cover known or unknown losses which have resulted from an event with respect to which a claim has already been made, and the claim is known to the insurer at the time the insurance is bound."

Sec. 2. G.S. 58-48-20 reads as rewritten:

"§ *58-48-20. Definitions.*

As used in this Article:

(1) 'Account' means any one of the ~~two~~ three accounts created by G.S. 58-48-25.

(1a) 'Affiliate' means a person who directly, or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with an insolvent insurer on December 31 of the year next preceding the date the insurer becomes an insolvent insurer.

(2) 'Association' means the North Carolina Insurance Guaranty Association created under G.S. 58-48-25.

(2a) 'Claimant' means any insured making a first party claim or any person instituting a liability claim; provided that no person who is an affiliate of the insolvent insurer may be a claimant.

(3) Repealed by Session Laws 1991, c. 720, s. 6.

(3a) 'Control' means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly owns, controls, holds with the power to vote, or holds proxies representing ten percent (10%) or more of the voting securities of any other person. This presumption may be rebutted by a showing that control does not exist in fact.

(4) 'Covered claim' means an unpaid claim, including one of unearned premiums, which is in excess of fifty dollars

($50.00) and arises out of and is within the coverage and not in excess of the applicable limits of an insurance policy to which this Article applies as issued by an insurer, if such insurer becomes an insolvent insurer after the effective date of this Article and (i) the claimant or insured is a resident of this State at the time of the insured event, provided that for entities other than an individual, the residence of a claimant or insured is the state in which its principal place of business is located at the time of the insured event; or (ii) the property from which the claim arises is permanently located in this State. 'Covered claim' shall not include any amount awarded as punitive or exemplary damages; sought as a return of premium under any retrospective rating plan; or due any reinsurer, insurer, insurance pool, or underwriting association, as subrogation or contribution recoveries or otherwise.

(5) 'Insolvent insurer' means (i) an insurer licensed and authorized to transact insurance in this State either at the time the policy was issued or when the insured event occurred and (ii) against whom an order of liquidation with a finding of insolvency has been entered after the effective date of this Article by a court of competent jurisdiction in the insurer's state of domicile or of this State under the provisions of Article 30 of this Chapter, and which order of liquidation has not been stayed or been the subject of a *writ of supersedeas* or other comparable order.

(6) 'Member insurer' means any person who (i) writes any kind of insurance to which this Article applies under G.S. 58-48-10, including the exchange of reciprocal or interinsurance contracts, and (ii) is licensed and authorized to transact insurance in this State.

(7) 'Net direct written premiums' means direct gross premiums written in this State on insurance policies to which this Article applies, less return premiums thereon and dividends paid or credited to policyholders on such direct business. 'Net direct written premiums' does not include premiums on contracts between insurers or reinsurers.

(8) 'Person' means any individual, corporation, partnership, association or voluntary organization.

(9) 'Policyholder' means the person to whom an insurance policy to which this Article applies was issued by an insurer which has become an insolvent insurer."

Sec. 3. G.S. 58-48-25 reads as rewritten:

"§ *58-48-25. Creation of the Association.*

There is created a nonprofit, unincorporated legal entity to be known as the North Carolina Insurance Guaranty Association. All insurers defined as member insurers in G.S. 58-48-20(6) shall be and remain members of the Association as a condition of their authority to transact insurance in this State. The Association shall perform its functions under a plan of operation established and approved under G.S. 58-48-40 and shall exercise its powers through a board of directors established under G.S. 58-48-30. For purposes of administration and assessment, the Association shall be divided into ~~two~~ three separate accounts: (i) the automobile insurance account; ~~and~~ ~~(ii)~~ (ii) the workers' compensation account; and (iii) the account for all other insurance to which the Article applies. Each person becoming a member insurer after October 1, 1985, shall pay to the Association upon demand a nonrefundable initial membership fee of fifty dollars ($50.00)."

Sec. 4. G.S. 58-48-35 reads as rewritten:

"§ *58-48-35. Powers and duties of the Association.*

(a) The Association shall:

(1) Be obligated to the extent of the covered claims existing prior to the determination of insolvency and arising within 30 days after the determination of insolvency, or before the policy expiration date if less than 30 days after the determination, or before the insured replaces the policy or causes its cancellation, if he does so within 30 days of the determination. This obligation includes only the amount of each covered claim that is in excess of fifty dollars ($50.00) and is less than three hundred thousand dollars ($300,000). However, the Association shall pay the full amount of a covered claim for benefits under a workers' compensation insurance coverage, and shall pay an amount not exceeding ten thousand dollars ($10,000) per policy for a covered claim for the return of unearned premium. The Association has no obligation to pay a claimant's covered claim, except a claimant's workers' compensation claim, if:

a. The insured had primary coverage at the time of the loss with a solvent insurer equal to or in excess of three hundred thousand dollars ($300,000) and applicable to the claimant's loss; or

b. The insured's coverage is written subject to a self-insured retention equal to or in excess of three hundred thousand dollars ($300,000).

If the primary coverage or the self-insured retention is less than three hundred thousand dollars ($300,000), the Association's obligation to the claimant is reduced by the

coverage and the retention. The Association shall pay the full amount of a covered claim for benefits under a workers' compensation insurance coverage to a claimant notwithstanding any self-insured retention, but the Association has the right to recover the amount of the self-insured retention from the employer.

In no event shall the Association be obligated to a policyholder or claimant in an amount in excess of the obligation of the insolvent insurer under the policy from which the claim arises. Notwithstanding any other provision of this Article, a covered claim shall not include any claim filed with the Association after the final date set by the court for the filing of claims against the liquidator or receiver of an insolvent insurer.

(2) Be deemed the insurer to the extent of the Association's obligation on the covered claims and to such extent shall have all rights, duties, and obligations of the insolvent insurer as if the insurer had not become insolvent. However, the Association has the right but not the obligation to defend an insured who is not a resident of this State at the time of the insured event unless the property from which the claim arises is permanently located in this State in which instance the Association does have the obligation to defend the matter in accordance with policy.

(3) Allocate claims paid and expenses incurred among the two accounts separately, and assess member insurers separately for each account amounts necessary to pay the obligation of the Association under subsection (a) above subsequent to an insolvency, the expenses of handling covered claims subsequent to an insolvency, the cost of examinations under G.S. 58-48-60 and other expenses authorized by this Article. The assessments of each member insurer shall be in the proportion that the net direct written premiums of the member insurer for the preceding calendar year on the kinds of insurance in the account bears to the net direct written premiums of all member insurers for the preceding calendar year on the kinds of insurance in the account; provided, for purposes of assessment only, premiums otherwise reportable by a servicing insurer under any plan of operation approved by the Commissioner of Insurance under Articles 45 or 46 of this Chapter shall not be deemed to be the net direct written premiums of such servicing insurer or association, but shall be deemed to be the net direct written premiums of the individual insurers to the extent provided for in any such

plan of operation. Each member insurer shall be notified of the assessment not later than 30 days before it is due. No member insurer may be assessed in any year on any account an amount greater than two percent (2%) of that member insurer's net direct written premiums for the preceding calendar year on the kinds of insurance in the account. If the maximum assessment, together with the other assets of the Association in any account, does not provide in any one year in any account an amount sufficient to make all necessary payments from that account, the funds available shall be prorated and the unpaid portion shall be paid as soon thereafter as funds become available. The Association may exempt or defer, in whole or in part, the assessment of any member insurer, if the assessment would cause the member insurer's financial statement to reflect amounts of capital or surplus less than the minimum amounts required for a certificate of authority by any jurisdiction in which the member insurer is authorized to transact insurance. Each member insurer may set off against any assessment, authorized payments made on covered claims and expenses incurred in the payment of such claims by the member insurer if they are chargeable to the account for which the assessment is made.

(4) Investigate claims brought against the Association and adjust, compromise, settle, and pay covered claims to the extent of the Association's obligation and deny all other claims and may review settlements, releases and judgments to which the insolvent insurer or its insureds were parties to determine the extent to which such settlements, releases and judgments may be properly contested.

(5) Notify such persons as the Commissioner directs under G.S. 58-48-45(b)(1).

(6) Handle claims through its employees or through one or more insurers or other persons designated as servicing facilities. Designation of a servicing facility is subject to the approval of the Commissioner, but such designation may be declined by a member insurer.

(7) Reimburse each servicing facility for obligations of the Association paid by the facility and for expenses incurred by the facility while handling claims on behalf of the Association and shall pay the other expenses of the Association authorized by this Article.

(b) The Association may:

(1) Employ or retain such persons as are necessary to handle claims and perform other duties of the Association.
(2) Borrow funds necessary to effect the purposes of this Article in accord with the plan of operation.
(3) Sue or be sued.
(4) Negotiate and become a party to such contracts as are necessary to carry out the purpose of this Article.
(5) Perform such other acts as are necessary or proper to effectuate the purpose of this Article.
(6) Refund to the member insurers in proportion to the contribution of each member insurer to that account that amount by which the assets of the account exceed the liabilities if, at the end of any calendar year, the board of directors finds that the assets of the Association in any account exceed the liabilities of that account as estimated by the board of directors for the coming year."

Sec. 5. G.S. 58-48-55 reads as rewritten:

"§ *58-48-55. Nonduplication of recovery.*

(a) Any person having a claim against an insurer under any provision in an insurance policy other than a policy of an insolvent insurer which is also a covered claim, shall be required to exhaust first his rights under such policy. Any amount payable on a covered claim under this Article shall be reduced by the amount of any recovery under such insurance policy.

(a1) Any person having a claim or legal right of recovery under any governmental insurance or guaranty program which is also a covered claim shall be required to exhaust first his right under such program. Any amount payable on a covered claim under this Article shall be reduced by the amount of any recovery under such program.

(b) Any person having a claim which may be recovered under more than one insurance guaranty association or its equivalent shall seek recovery first from the association of the place of residence of the policyholder except that if it is a first party claim for damage to property with a permanent location, he shall seek recovery first from the association of the location of the ~~property.~~ property, and if it is a workers' compensation claim, he shall seek recovery first from the association of the residence of the claimant. Any recovery under this Article shall be reduced by the amount of recovery from any other insurance guaranty association or its equivalent.

(c) No claim held by an insurer, reinsurer, insurance pool, or underwriting association, whether the claim is:

(1) based on an assignment, or
(2) based on rights of subrogation or contribution, or
(3) based on any other grounds,

nor any claim of lien, may be asserted in any legal action against a person insured under a policy issued by an insolvent insurer except to the extent the amount of such claim exceeds the obligation of the Association under G.S. 58-48-35(a)(1).

(d) Any person that has liquidated by settlement or judgment a claim against an insured under a policy issued by an insolvent insurer, which claim is a covered claim and is also a claim within the coverage of any policy issued by a solvent insurer, shall be required to exhaust first his rights under such policy issued by the solvent insurer before execution, levy, or any other proceedings are commenced to enforce any judgment obtained against or the settlement with the insured of the insolvent insurer. Any amount so recovered from a solvent insurer shall be credited against the amount of the judgment or settlement."

Sec. 6. Article 48 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-48-105. Transfer of balance of security funds.*

(a) All monies received and paid into the Stock Workers' Compensation Security Fund under former G.S. 97-107, together with all property and securities acquired by and through the use of monies belonging to this Fund, including interest earned upon monies in this Fund, shall be transferred and deposited into a new account with the Association created pursuant to G.S. 58-48-115. This account shall be separate and apart from any other accounts similarly created and from all other Association funds. The Association shall be the custodian of the account, and shall administer the account in accordance with the provisions of this Article.

(b) All monies received and paid into the Mutual Workers' Compensation Security Fund under former G.S. 97-114, together with all property and securities acquired by and through the use of monies belonging to this Fund, including interest earned upon monies in this Fund, shall be transferred and deposited into a new account with the Association created pursuant to G.S. 58-48-120. This account shall be separate and apart from any other accounts similarly created and from all other Association accounts. The Association shall be the custodian of the account, and shall administer the account in accordance with the provisions of this Article."

Sec. 7. Article 48 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-48-110. Purpose of the accounts.*

The purpose of the accounts created in the Association pursuant to G.S. 58-48-115 and G.S. 58-48-120 of this Article shall be solely to:

(1) Receive the balance from the accounts created under former G.S. 97-107 and G.S. 97-114;

(2) Receive assessment monies from member companies as provided in G.S. 58-48-115(a)(3), 58-48-120(b), and 58-48-120(c);

(3) Receive interest on monies in the accounts;

(4) Pay stock or mutual carrier claims made against the security funds established under G.S. 97-107 and G.S. 97-114, but only for claims existing before January 1, 1993; and

(5) Refund to the contributing stock companies in accordance with G.S. 58-48-115 the excess monies in the stock fund account as set forth in G.S. 58-48-115(a)(2)."

Sec. 8. Article 48 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-48-115. Creation of Stock Fund Account; maintenance of Stock Fund Account; and distribution of Stock Fund.*

(a) The monies received by the Association pursuant to G.S. 58-48-105(a) shall be distributed as follows:

(1) An amount equivalent to one and one-half times the contingent liabilities of the Stock Workers' Compensation Security Fund created pursuant to former G.S. 97-107 existing on December 31, 1992, shall be deposited in a separate reserve account to be maintained by the Association which shall be designated as the 'Stock Reserve Account.' The amount of the Fund's contingent liabilities and the amount to be deposited in this Stock Reserve Account shall be determined and approved by the Department.

(2) The balance of the monies received from the Stock Workers' Compensation Security Fund created pursuant to former G.S. 97-107 shall be refunded by the Association to member insurers that were contributing stock carriers during calendar year 1989 in accordance with the determination of the Department under this subdivision. The amount to be refunded to each stock carrier shall be in proportion to the contributions paid in by each stock carrier. The Department shall, as nearly as practicable, determine this amount under generally accepted accounting principles and the determination of the Department shall be final and not subject to appeal.

(3) Should the balance of the monies in the Stock Reserve Account be reduced to less than one and one-half times the contingent liabilities of the account, the Association shall assess all member insurers that are stock carriers writing workers' compensation in this State at the time of the assessment in an amount equivalent to one and one-half times the contingent liabilities of said account. The

assessment under this subdivision shall be made in accordance with the provisions of G.S. 58-48-35(a)(3)."

Sec. 9. Article 48 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-48-120. Creation of Mutual Fund Account; maintenance of Mutual Fund Account.*

(a) The monies received by the Association pursuant to G.S. 58-48-105(b) shall be deposited in a separate reserve account to be maintained by the Association which shall be designated as the Mutual Reserve Account. The amount in this account shall be equivalent to one and one-half times the contingent liabilities of the Mutual Workers' Compensation Security Fund created pursuant to former G.S. 97-114 existing on December 31, 1992. The amount of this Fund's contingent liabilities and the amount to be deposited into this Mutual Reserve Account shall be determined and approved by the Department.

(b) If the amount received by the Association from the former Mutual Workers' Compensation Security Fund created pursuant to G.S. 97-114 and received by the Association pursuant to G.S. 58-48-105(b) is insufficient to equal one and one-half times the contingent liabilities of the Fund existing on December 31, 1992, the Association shall, over the five years following the effective date of this act, assess the member insurers that are mutual carriers writing workers' compensation insurance in this State at the time of the assessment in the amount it determines necessary to make up the difference between the money received by the Association pursuant to G.S. 58-48-105(b) and one and one-half times the contingent liabilities of the Fund as determined by the Department of Insurance pursuant to G.S. 58-48-120(a). The assessment under this subsection shall be made in accordance with the provisions of G.S. 58-48-35(a)(3).

(c) After December 31, 1997, should the balance of the monies in the Mutual Reserve Account be reduced to less than one and one-half times the contingent liabilities of the account, the Association shall assess all member insurers that are mutual carriers writing workers' compensation insurance in this State at the time of the assessment in an amount necessary to raise the account to an amount equivalent to one and one-half times the contingent liabilities of said account. The assessment under this subsection shall be made in accordance with the provisions of G.S. 58-48-35(a)(3)."

Sec. 10. Article 48 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-48-125. Payments by the Association.*

The accounts created in G.S. 58-48-115 and G.S. 58-48-120 shall be used to pay the claims against insolvent stock workers'

compensation insurers and insolvent mutual workers' compensation insurers, respectively, pursuant to G.S. 58-48-35, where the insolvency occurred prior to January 1, 1993. The expenses of administering these accounts, including loss adjustment expenses, shall be paid out of the respective accounts."

Sec. 11. Article 48 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-48-130. Termination.*

The account created in G.S. 58-48-115 shall be dissolved when all liabilities of the Stock Workers' Compensation Security Fund, under former G.S. 97-107 have been satisfied. Any excess monies in the Stock Reserve Account shall be refunded to the member insurers that were stock workers' compensation carriers during the preceding calendar year. The amount to be refunded to each stock carrier shall be in proportion to the assessments paid by each stock carrier. The account created in G.S. 58-48-120 shall be dissolved when the liabilities of the Mutual Workers' Compensation Security Fund, under former G.S. 97-114, have been satisfied. Any excess monies in the mutual reserve account shall be refunded to the member insurers that were mutual workers' compensation carriers during the preceding calendar year. The amount to be refunded to each mutual carrier shall be in proportion to the assessments paid by each mutual carrier."

Sec. 12. Article 3 of Chapter 97 of the General Statutes, G.S. 97-106 to G.S. 97-122, is repealed.

Sec. 13. This act becomes effective January 1, 1993.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

S.B. 1072 **CHAPTER 803**

AN ACT TO SET THE RURAL ELECTRIFICATION AUTHORITY REGULATORY FEE FOR THE 1992-93 FISCAL YEAR AND TO REQUIRE THE GENERAL ASSEMBLY TO ENACT LEGISLATION SETTING THE FEE IN FUTURE FISCAL YEARS ONLY IF THE FEE IS TO BE HIGHER THAN THE FEE SET FOR THE 1992-93 FISCAL YEAR.

The General Assembly of North Carolina enacts:

Section 1. G.S. 117-3.1(b) reads as rewritten:

"(b) Rate. --

~~1. For the 1991-92 fiscal year, the regulatory fee shall be three and three-fourths cents (3 3/4¢) for each electric membership corporation's North Carolina meter connected~~

~~for service for that quarter and three and three-fourths cents (3 3/4¢) for each telephone membership corporation's North Carolina access line connected for service for that quarter.~~

~~2.~~ For each fiscal ~~years beginning on or after July 1, 1992,~~ year, the regulatory fee shall be ~~that~~ the greater of the following:

(1) The rate established by the General Assembly for that year for each electric membership corporation's North Carolina meter connected for service and each telephone membership corporation's North Carolina access line connected for service for each ~~quarter.~~ quarter of the year.

(2) Four cents (4¢) for each electric membership corporation's North Carolina meter connected for service and for each telephone membership corporation's North Carolina access line connected for service for each quarter of the year.

When the Authority prepares its budget request for the upcoming fiscal year, the Authority shall propose a rate for the regulatory fee. For fiscal years beginning in an odd-numbered year, that proposed rate shall be included in the budget message the Governor submits to the General Assembly pursuant to G.S. 143-11. For fiscal years beginning in an even-numbered year, that proposed rate shall be included in a special budget message the Governor shall submit to the General Assembly. ~~The~~ If the General Assembly decides to set the regulatory fee at a rate higher than the rate in subdivision (2) of this subsection, it shall set the regulatory fee by law.

The regulatory fee may not exceed the amount necessary to generate funds sufficient to defray the estimated cost of the operations of the Authority for the upcoming fiscal year, including a reasonable margin for a reserve fund. The amount of the reserve may not exceed the estimated cost of operating the Authority for the upcoming fiscal year. In calculating the amount of the reserve, the General Assembly shall consider all relevant factors that may affect the cost of operating the Authority or a possible unanticipated increase or decrease in North Carolina electric meters and North Carolina telephone access lines."

Sec. 2. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 217 **CHAPTER 804**

AN ACT TO CREATE A NEW OFFENSE OF STALKING.

The General Assembly of North Carolina enacts:

Section 1. Article 35 of Chapter 14 of the General Statutes is amended by adding the following new section to read:

"*§ 14-277.3. Stalking.*

(a) Offense. -- A person commits the offense of stalking if the person willfully on more than one occasion follows or is in the presence of another person without legal purpose:

(1) With the intent to cause emotional distress by placing that person in reasonable fear of death or bodily injury;

(2) After reasonable warning or request to desist by or on behalf of the other person; and

(3) The acts constitute a pattern of conduct over a period of time evidencing a continuity of purpose.

(c) Classification. -- A violation of this section is a misdemeanor punishable by imprisonment up to six months, a fine up to one thousand dollars ($1,000), or both. A person who commits the offense of stalking when there is a court order in effect prohibiting similar behavior is punishable by imprisonment up to two years, a fine up to two thousand dollars ($2,000), or both. A second or subsequent conviction for stalking occurring within five years of a prior conviction of the same defendant is punishable as a Class I felony."

Sec. 2. This act becomes effective October 1, 1992, and applies to offenses occurring on or after that date.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 465 **CHAPTER 805**

AN ACT TO LIMIT THE SALES OF MALT BEVERAGES IN THE CITY OF COLUMBIA, TYRRELL COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any other provision of law, in the City of Columbia, Tyrrell County, On-Premise Malt Beverage Permits, issued pursuant to G.S. 18B-1001(1) shall be issued only to restaurants, as defined in G.S. 18B-1000(6). Off-Premise Malt Beverage Permits may be issued to all permittees listed in G.S. 18B-1001(2).

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 1344 **CHAPTER 806**

AN ACT TO MODIFY THE PROVISIONS GOVERNING EXPENDITURE OF THE HYDE COUNTY OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

Section 1. Section 1(e) of Chapter 230 of the 1991 Session Laws reads as rewritten:

"(e) Use of tax revenue. Hyde County may use the proceeds of the occupancy tax for any public purpose. The county shall spend ninety percent (90%) of the proceeds collected on the mainland only for the direct benefit of the mainland. The board of commissioners shall appoint a five-member mainland advisory board whose members are all residents of the mainland. The board of commissioners shall set the terms of office of the members. The mainland advisory board shall advise the board of commissioners on the expenditure of tax proceeds for the direct benefit of the mainland. The county shall spend ninety percent (90%) of the proceeds collected on Ocracoke only for the direct benefit of the island. The board of commissioners shall appoint a five-member island advisory board whose members are all residents of the island. The board of commissioners shall set the terms of office of the members. Two of the members shall be appointed upon the recommendation of the Ocracoke Civic and Business Association, Inc. The island advisory board shall advise the board of commissioners on the expenditure of tax proceeds for the direct benefit of the island."

Sec. 2. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 1346 **CHAPTER 807**

AN ACT TO ANNEX A DESCRIBED AREA TO THE TOWN OF ELIZABETHTOWN, AND CONDITIONALLY FORBID ITS ANNEXATION PRIOR TO THE EFFECTIVE DATE OF THE LEGISLATIVE ANNEXATION.

The General Assembly of North Carolina enacts:

Section 1. The corporate limits of the Town of Elizabethtown are extended as of June 30, 1997, to include the following described territory:

BEGINNING at the point marked by an old iron shaft at the end of Line No. (7) of the description contained in "Sec. 2 Corporate Limits" (Ordinance of May 24, 1978), Town of Elizabethtown, N.C.,

said point being at or near the Northern Right-of-Way line of N.C. Highway 87; thence a new line and with the Northern Right-of-Way line of N.C. Highway 87, North 77 degrees 14 minutes 20 seconds West 704.60 feet to a point marked by an old concrete monument, the Westernmost corner of lands of West Point Pepperell, Inc., as recorded in Deed Book 187, Page 372; thence with the Northwest property line of WestPoint Pepperell, Inc., North 43 degrees 12 minutes 45 seconds East 2499.99 feet to a point marked by a concrete marker; thence continuing with said line of WestPoint Pepperell, Inc., North 43 degrees 57 minutes 40 seconds East 1067.74 feet to a point on the edge of Cape Fear River; thence with the edge of Cape Fear River, South 64 degrees 35 minutes 12 seconds East 621.31 feet to a point; thence continuing with the edge of Cape Fear River, South 86 degrees 50 minutes 40 seconds East 563.22 feet to a point; thence continuing with the edge of Cape Fear River, North 77 degrees 07 minutes 26 seconds East 281.33 feet to a point; thence continuing with the edge of Cape Fear River, North 86 degrees 47 minutes 06 seconds East 595.56 feet to a point; thence continuing with the edge of Cape Fear River, South 78 degrees 34 minutes 10 seconds East 350.37 feet to a point, the Northeastern corner of lands of WestPoint Pepperell, Inc.; thence with the Southeastern line of land of WestPoint Pepperell, Inc., South 46 degrees 05 minutes 28 seconds West 3541.74 feet to a point in said line; thence a new line, South 50 degrees 23 minutes 16 seconds East to and with the center of an existing soil roadway, through lands of Johnson, 589.91 feet to a point in the line between lands of Johnson and Cross; thence continuing the same course through lands of Cross, South 50 degrees 23 minutes 16 seconds East 510.38 feet to a point marked by an iron; thence North 45 degrees 58 minutes 00 seconds East 208.78 feet to a point marked by an iron, a Western corner of the lands of Hanna; thence with the Hanna Southwestern line, South 48 degrees 29 minutes 00 seconds East 51.00 feet to a point marked by an iron in Line No. (14) of aforesaid Town Ordinance; thence with said Line No. (14) reversed, South 45 degrees 58 minutes 00 seconds West 518.33 feet to a point at the end of Line No. (13); thence with Line No. (13) reversed, North 49 degrees 07 minutes 12 seconds West 1149.43 feet to a point marked by an iron at the end of Line No. (12); thence with Line No. (12) reversed, North 45 degrees 48 minutes 00 seconds East 228.84 feet to a point at the end of Line No. (11); thence with Line No. (11) reversed, North 46 degrees 20 minutes 11 seconds West 658.91 feet to a point at the end of Line No. (10); thence with Line No. (10) reversed, South 43 degrees 44 minutes 21 seconds West 528.89 feet to a point at the end of Line No. (9); thence with Line No. (9) reversed, North 77 degrees 12 minutes 22 seconds West 519.31 feet

to a point at the end of Line No. (8); thence with Line No. (8), reversed, South 43 degrees 49 minutes 40 seconds West 231.72 feet to the point of beginning, containing 145.41 acres, more or less, according to a survey of same made in August 1991 by Lloyd R. Walker, Registered Land Surveyor.

Sec. 2. None of the real property in Bladen County leased or owned by Cogentrix Eastern Carolina Corporation as of the effective date of this act may be annexed in any proceeding under Article 4A of Chapter 160A of the General Statutes or under any city charter unless Cogentrix Eastern Carolina Corporation is in breach of numbered paragraph 2 of its agreement with the Town of Elizabethtown dated as of December 6, 1991, as that agreement exists or may be modified by the parties prior to the ratification of this act. All terms and conditions of that agreement are given legal binding effect.

Sec. 3. None of the real property in Bladen County leased or owned by West Point - Pepperell, Inc., as of the effective date of this act may be annexed in any proceeding under Article 4A of Chapter 160A of the General Statutes or under any city charter unless West Point Pepperell, Inc., is in breach of numbered paragraph 2 of its agreement with the Town of Elizabethtown dated as of December 6, 1991, as that agreement exists or may be modified by the parties prior to the ratification of this act. All terms and conditions of that agreement are given legal binding effect.

Sec. 4. This act is effective upon ratification. As of June 30, 1997, the area annexed by Section 1 of this act shall be subject to taxation as provided by G.S. 160A-58.10.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 1417 **CHAPTER 808**

AN ACT TO EXTEND THE CORPORATE LIMITS OF THE VILLAGE OF PINEHURST.

The General Assembly of North Carolina enacts:

Section 1. The corporate limits of the Village of Pinehurst are extended to include the following described area:

BEGINNING at a point in the center of the Aberdeen Carolina & Western Railroad on the south edge of Linden Road, the beginning corner of the Carolina Clarendon Corporation tract described in Deed Book 232 at page 165 in the Moore County Registry; running thence from said beginning with said railroad, S87-27E 1634.0 feet to a point in the centerline of the railroad; thence S8-08W about 1438.62 feet to a concrete monument; thence S84-51E 84.11 feet to a concrete

monument; thence N40-18E 491.72 feet to a concrete monument in the corporate limits of the Village of Pinehurst; thence as the corporate limits of the Village of Pinehurst, the following courses: S20-25E 374.2 feet to a concrete monument; thence S23-40W 1935.0 feet to a concrete monument; thence S8-22W 475.5 feet to a concrete monument; thence N56-30W 1716.9 feet to an iron pipe; thence continuing as the corporate limits of the Village of Pinehurst, and beyond, N26-30W 2494.0 feet to an iron pipe in the southerly edge of Linden Road; thence with the southerly edge of Linden Road, N63-02E 76.2 feet to a stake; thence continuing with the southerly edge of said road, N70-28E 1462.0 feet to the beginning, containing 167 acres more or less, and being all of the Carolina Clarendon Corporation tract described in Deed Book 232 at page 165 in the Moore County Registry, plus a part of the King land, and being all of the land and lots shown and described on Clarendon Gardens, Section One, recorded in Map Book 9 at page 23, and being all of Clarendon Gardens, Section Two, recorded in Map Book 9 at page 69, and being all of Clarendon Gardens, Section Three, recorded in Map Book 11 at page 24, and being all of Clarendon Gardens, Section Four, recorded in Plat Cabinet 1 at slide 46, and being all of Clarendon Gardens, Section Five, Sheet One, recorded in Plat Cabinet 2 at slide 270, and being all of Clarendon Gardens, Section Five, Sheet Two, recorded in Plat Cabinet 2 at slide 271, and being all of the Clarendon Gardens division recorded in Plat Cabinet 4 at slide 78 in the Moore County Registry.

Sec. 2. Notwithstanding G.S. 160A-360, or the provisions of Chapter 308 of the 1985 Session of the General Assembly of North Carolina, or the provisions of this act, no municipality may hereafter extend its extraterritorial powers into the area described as follows:

BEGINNING at an existing concrete monument, southeastern corner of Pinewood Map as recorded in Plat Cabinet 2, slide 53, Moore County Registry and designated control corner of the Pinewild Farm Tract as recorded in Plat Cabinet 3, slide 199, Moore County Registry; thence as the southern line of Pinewood S 87 45' 13" W 652.99 feet to an existing iron pipe, southwestern corner of lot 1b of Pine Valley as recorded in Plat Cabinet 2, slide 56, Moore County Registry; thence as said lot's western line N 05 01'45" E 84.09 feet to an existing iron pipe in the eastern right of way line of Pine Valley Road; thence as said road's eastern right of way line the following thirteen (13) calls as a curve to the left with a radius of 60.00 feet, chord N 42 35' 30" E 45.00 feet; thence N 20 34' 04" E 358.78 feet; thence as a curve to the left with a radius of 645.51 feet, chord N 09 05' 17" E 256.94 feet; thence N 02 23' 30" W 252.89 feet; thence as a curve to the right with a radius of 471.45 feet, chord N

11 36' 21" E 228.06 feet; thence N 25 36'11" E 293.92 feet; thence as a curve to the right with a radius of 277.21 feet, chord N 43 38' 01" E 171.61 feet; thence N 61 39'51" E 288.04 feet; thence as a curve the the left with a radius of 425.91 feet, chord N 47 29'20" E 208.60 feet; thence N 33 18'48" E 132.39 feet; thence as a curve to the right with a radius of 509.99 feet, chord N 43 48'18" E 185.73 feet; thence N 54 17' 48" E 170.00 feet; thence N 54 18' 22" E 701.76 feet to an existing concrete monument, the intersection of the eastern right of way line of Pine Valley Road and the southern right of way line of the Carolina and Western Railroad (previously Aberdeen and Briarpatch Railroad); thence as the southern right of way line of the railroad the following three (3) calls S 40 04' 15" E 794.20 feet; thence as a curve to the left with a radius of 4663.72 feet, chord S 46 46' 14" E 1088.18 feet thence S 53 28' 36" E 139.08 feet to an existing concrete monument; thence as a calculated line crossing the railroad. S 89 41' 44" E. 253.75 feet to a concrete monument in the northern right-of-way of said railroad; thence S 89 41'32" E. 283.28 feet to an existing concrete monument in the southern right-of-way line of N.C. Hwy. No. 211, located 50 feet south of the centerline; thence as said right-of-way line S 62 36' 29" E, 206.85 feet to an existing iron pipe; thence leaving said road right-of-way as the Pinewild Project Limited Partner Property the following three (3) calls S 60 16' 51" E, 418.18 feet to an existing iron pipe; thence S 63 30' 05" E, 98.99 feet to an existing iron pipe; thence S 74 56' 52" E, 78.08 feet to a calculated point in the Pinewild Project Property line at the intersection of the extraterritorial limits of the Village of Pinehurst as recorded in book 002, page 849, Moore County Registry; thence as the said limits of Pinehurst the following three (3) calls S 32 12' 47" W, 6089.78 feet to an existing concrete monument, corner of the Kennedy Property; thence with the Kennedy and the Golliday and McCool property S 27 40' 30" W. 1095.53 feet to an existing concrete monument, corner of the Golliday and McCool property; thence with the Golliday and McCool and Watson property S 49 44' 28" W 387.87 feet to an existing iron pipe in Chicken Plant Road, corner of the Watson property; thence as the Pinewild Project Limited Partnership Property N 02 27' 21" E 2187.41 feet to an existing iron pipe, thence N 02 27' 37" E 847.50 feet to an existing concrete monument; thence N 89 50' 04" W 1180.62 feet to an existing concrete monument; thence N 01 33' 12" E 731.20 feet to an existing concrete monument; thence N 00 46' 20" E 202.25 feet to an existing concrete monument; thence S 69 17' 44" W 431.66 feet to an existing concrete monument; thence N 09 23' 01" E 938.02 feet to an existing concrete monument; thence N 01 58' 35" E 561.13 feet to an existing iron pipe; thence N 88 19' 03" E 1429.26 feet to an existing concrete

monument; thence N 02 31' 17" W 24.94 feet to an existing axle; thence N 01 10' 57" E 230.60 feet to the point of beginning, being a portion of the Pinewild Project Limited Partnership Property as recorded in Deed Book 729, page 408, and Deed Book 736, page 27, Moore County Registry.

Sec. 3. This act becomes effective June 30, 1992.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 1454 **CHAPTER 809**

AN ACT TO ESTABLISH ELECTORAL DISTRICTS FOR THE MERGED EDGECOMBE COUNTY BOARD OF EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. The Edgecombe County Board of Education shall consist of seven members. One member each shall be elected from the seven districts described in Section 7. Only those voters residing in a district shall be eligible to vote in elections for that district. A person must reside in a district to be eligible to be a candidate for that district or to serve as the member representing the district.

Sec. 2. Elections shall be nonpartisan and shall be held in even-numbered years at the same time as party primaries for county offices.

Sec. 3. Elections shall be determined by a substantial plurality as provided in G.S. 163-111 for party primaries. Any runoff, if needed, shall be held at the same time as the second primary for county offices.

Sec. 4. Members shall take office at the first regular meeting of the board in July following their election.

Sec. 5. Board members shall be elected for four-year, staggered terms. All seven members shall be elected in 1994. The members elected at that time from Districts 1, 3, 5, and 7 shall serve initial terms of four years, and their successors shall be elected in 1998 and every four years thereafter. The members elected in 1994 from Districts 2, 4, and 6 shall serve initial terms of two years, and their successors shall be elected in 1996 and every four years thereafter.

Sec. 6. Any vacancy on the board shall be filled by appointment by the remaining members of the board. The person appointed to fill the vacancy must reside in the district in which the vacancy occurs. The person appointed to fill the vacancy shall serve the remainder of the unexpired term of the vacating member.

Sec. 7. The boundaries of the districts are as listed below. The names and boundaries of precincts (voting tabulation districts), tracts,

block groups, and blocks, specified in this attachment, are as they were legally defined and recognized in the 1990 U.S. Census. Boundaries are as shown on the IVTD Version of the United States Bureau of the Census 1990 TIGER Files.

District 1: Edgecombe County: Precinct 6-1 *, Precinct 7-1 *, Precinct 12-4 *: Tract 0203: Block Group 7: Block 706A, Block 707A, Block 708A, Block 709A; Tract 0204: Block Group 6: Block 602, Block 603, Block 604; Block Group 7: Block 703A, Block 704A, Block 708A, Block 708B, Block 709A, Block 715, Block 716, Block 717, Block 718, Block 719, Block 720, Block 721A, Block 722A, Block 723, Block 724, Block 725, Block 726, Block 727, Block 728, Block 729, Block 730, Block 731, Block 732, Block 733, Block 734, Block 735; Precinct 12-5 *: Tract 0204: Block Group 2: Block 201; Tract 0206: Block Group 1: Block 125, Block 126A, Block 127, Block 128A, Block 129, Block 130A, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136.

District 2: Edgecombe County: Precinct 1-1 *: Tract 0208: Block Group 2: Block 239, Block 240, Block 241, Block 242, Block 243A, Block 244A; Tract 0209: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 115A, Block 115B; Block Group 3: Block 301A, Block 301B, Block 302, Block 303A, Block 303B, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316A, Block 316B, Block 317A, Block 317B, Block 319A; Tract 0210: Block Group 5: Block 524, Block 525, Block 526, Block 529, Block 533, Block 534, Block 535; Block Group 7, Block Group 8; Tract 0211: Block Group 3: Block 303; Precinct 3-1 *: Tract 0208: Block Group 1: Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125, Block 126, Block 127A, Block 127B, Block 128, Block 129A, Block 129B, Block 130, Block 131, Block 132, Block 133A, Block 133B, Block 134, Block 151, Block 152, Block 153, Block 154, Block 155, Block 156A, Block 156B, Block 157; Block Group 2: Block 214, Block 216; Precinct 4-1 *, Precinct 5-1 *.

District 3: Edgecombe County: Precinct 1-1 *: Tract 0209: Block Group 1: Block 113, Block 114, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121; Block Group 3: Block 318A, Block 318B, Block 319B, Block 319C, Block 320, Block 321, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327; Precinct 1-

2 *: Tract 0209: Block Group 2: Block 201, Block 202, Block 203, Block 204A, Block 204B, Block 205, Block 206, Block 207A, Block 207B, Block 208A, Block 208B, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216A, Block 216B, Block 217A, Block 217B, Block 217C, Block 217D, Block 218, Block 219, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229; Tract 0210: Block Group 5: Block 530, Block 531, Block 532; Block Group 9; Tract 0212: Block Group 5: Block 513A, Block 513B, Block 514, Block 515, Block 523, Block 524, Block 525, Block 526, Block 527, Block 528, Block 529, Block 530, Block 531, Block 532, Block 533, Block 534, Block 535, Block 536; Tract 0213: Block Group 3: Block 301A, Block 301B, Block 302, Block 303, Block 304A, Block 304B, Block 305, Block 306A, Block 306B, Block 307, Block 308, Block 318A; Precinct 8-1 *: Tract 0213: Block Group 3: Block 301C, Block 314, Block 315, Block 316, Block 317, Block 318B, Block 319, Block 320, Block 321, Block 325, Block 326; Tract 0216: Block Group 1: Block 101, Block 102, Block 103, Block 104, Block 115; Precinct 10-1 *: Tract 0215: Block Group 1: Block 101A, Block 101B, Block 101C, Block 102, Block 105, Block 123, Block 124, Block 125, Block 126A, Block 126B, Block 127, Block 128, Block 129, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135, Block 136, Block 137, Block 138, Block 139, Block 140; Block Group 2: Block 201A, Block 201B, Block 201C, Block 213, Block 214, Block 215A, Block 215B, Block 216A, Block 216B, Block 217, Block 218, Block 219, Block 220, Block 234, Block 235, Block 236.

District 4: Edgecombe County: Precinct 2-1 *, Precinct 3-1 *: Tract 0208: Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 218, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230, Block 231, Block 235A, Block 235B, Block 236, Block 246, Block 247, Block 249, Block 250, Block 251, Block 252, Block 253, Block 254, Block 255, Block 256, Block 257, Block 258; Precinct 8-1 *: Tract 0216: Block Group 1: Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122, Block 123, Block 124, Block 125A, Block 126, Block 127, Block 128, Block 129; Block Group 3: Block 303A, Block 303B, Block 316A, Block 317A, Block 318A; Precinct 9-1 *, Precinct 10-1 *: Tract 0215: Block Group 1: Block 103, Block 104A, Block 104B, Block 106A, Block 106B, Block 107A, Block 107B, Block 108, Block

109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 120, Block 121, Block 122; Block Group 2: Block 202A, Block 202B, Block 203, Block 204A, Block 204B, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228A, Block 228B, Block 229, Block 230, Block 231, Block 232, Block 233, Block 237, Block 238; Block Group 3: Block 301, Block 302, Block 303, Block 304, Block 305, Block 306, Block 307, Block 308, Block 309, Block 310, Block 311, Block 312, Block 313, Block 314, Block 315, Block 316, Block 317, Block 318, Block 319, Block 320, Block 322, Block 323, Block 324, Block 325, Block 326, Block 327.

District 5: Edgecombe County: Precinct 1-2 *: Tract 0210: Block Group 5: Block 506, Block 507, Block 516, Block 517, Block 518; Tract 0212: Block Group 2: Block 201, Block 202, Block 203, Block 204, Block 205, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 213, Block 214, Block 215, Block 216, Block 217, Block 218, Block 219, Block 231, Block 232; Precinct 1-3 *: Tract 0211: Block Group 2, Block Group 4: Block 414, Block 415, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421A, Block 421B, Block 422, Block 423A, Block 423B, Block 424, Block 425, Block 426, Block 427, Block 428, Block 429, Block 430, Block 431; Tract 0212: Block Group 3, Block Group 4: Block 402, Block 403, Block 404, Block 415; Precinct 1-4 *.

District 6: Edgecombe County: Precinct 1-2 *: Tract 0212: Block Group 2: Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 227, Block 228, Block 229, Block 230; Block Group 5: Block 501, Block 502, Block 503, Block 504, Block 505, Block 506, Block 507, Block 508, Block 509A, Block 509B, Block 510, Block 511, Block 512, Block 516, Block 517, Block 518, Block 519, Block 520, Block 521, Block 522; Tract 0213: Block Group 2: Block 248A, Block 248B, Block 250; Precinct 1-3 *: Tract 0212: Block Group 4: Block 401, Block 405A, Block 405B, Block 406, Block 407, Block 408, Block 409, Block 410, Block 411, Block 412A, Block 412B, Block 413, Block 414, Block 416, Block 417, Block 418, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424, Block 425, Block 426A, Block 426B; Precinct 8-1 *: Tract 0213: Block Group 3: Block 306C, Block 309, Block 310, Block 311, Block 312, Block 313, Block 322, Block 323, Block 324; Precinct 11-1 *, Precinct 12-3 *: Tract 0213: Block Group 1: Block 120, Block 121, Block 125, Block 126, Block 127, Block 128, Block

129; Block Group 2: Block 217B, Block 218B; Precinct 13-1 *: Tract 0214: Block Group 2: Block 201, Block 202, Block 206, Block 207, Block 208, Block 209, Block 210, Block 211, Block 212, Block 219, Block 220, Block 221, Block 222, Block 223, Block 224, Block 225, Block 226, Block 228, Block 229, Block 230, Block 231, Block 232, Block 233, Block 234, Block 235.

District 7: Edgecombe County: Precinct 12-2 *: Tract 0202: Block Group 4: Block 417A, Block 419, Block 420, Block 421, Block 422, Block 423, Block 424A, Block 424B, Block 428; Block Group 5: Block 513A, Block 514, Block 515, Block 517, Block 518, Block 519, Block 520A, Block 520B, Block 521; Precinct 12-3 *: Tract 0202: Block Group 1: Block 151B, Block 151C, Block 153; Block Group 4: Block 411B, Block 416B, Block 417B, Block 424C, Block 424D, Block 425; Block Group 5: Block 506B, Block 513B, Block 513C, Block 516, Block 520C; Block Group 6: Block 601, Block 602, Block 603, Block 604, Block 605, Block 606, Block 607, Block 608, Block 609, Block 610, Block 611, Block 612, Block 613, Block 614, Block 615, Block 616, Block 617, Block 618, Block 619, Block 620, Block 621, Block 622, Block 623, Block 624, Block 625, Block 626, Block 627, Block 628, Block 632, Block 633; Tract 0203: Block Group 6: Block 618, Block 619; Block Group 7: Block 701, Block 702, Block 703, Block 704, Block 705, Block 706B, Block 707B, Block 708B, Block 709B, Block 710, Block 711, Block 712, Block 713, Block 714, Block 715C, Block 716B, Block 717B, Block 718B, Block 729B, Block 730B, Block 735B; Tract 0204: Block Group 7: Block 701, Block 702, Block 703B, Block 704B, Block 705, Block 706, Block 707, Block 708C, Block 709B, Block 710, Block 711, Block 712, Block 713, Block 714, Block 721B, Block 722B; Tract 0213: Block Group 1: Block 101, Block 103, Block 104, Block 105, Block 106, Block 107, Block 108, Block 109, Block 110, Block 111, Block 112, Block 113, Block 114, Block 115, Block 116, Block 117, Block 118, Block 119, Block 130, Block 131, Block 132, Block 133, Block 134, Block 135; Block Group 2: Block 211, Block 212, Block 213, Block 214, Block 215, Block 216; Tract 0214: Block Group 1: Block 101, Block 104, Block 105; Precinct 13-1 *: Tract 0214: Block Group 2: Block 203, Block 204, Block 205, Block 213, Block 214, Block 215, Block 217, Block 218, Block 227; Precinct 14-1 *.

Sec. 8. The Interim Merged Edgecombe County Board of Education shall submit this act to the United States Attorney General for preclearance under Section 5 of the federal Voting Rights Act. The Interim Board may alter the election plan, by adoption of a resolution, if necessary, to achieve preclearance under Section 5.

Sec. 9. This act is effective upon ratification and shall apply to elections beginning in 1994. Until that time, the merged Edgecombe County School Administrative Unit shall continue to be governed by the provisions of Chapter 404 of the Session Laws of 1991.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 1548 **CHAPTER 810**

AN ACT TO MAKE A TECHNICAL CORRECTION IN THE PLACE OF FILING OF NOTICES FOR CANDIDACY FOR SCHOOL BOARD IN CUMBERLAND COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 445, Session Laws of 1991, reads as rewritten:

"Section 1. Notwithstanding any provision of Chapters 115C or 163 of the General Statutes, or of A PLAN TO PROVIDE FOR THE MERGER AND CONSOLIDATION OF THE FAYETTEVILLE CITY BOARD OF EDUCATION AND THE CUMBERLAND COUNTY BOARD OF EDUCATION AND TO ESTABLISH ONE ADMINISTRATIVE BOARD OF EDUCATION FOR ALL OF THE PUBLIC SCHOOLS IN CUMBERLAND COUNTY, as approved under G.S. 115C-67 and as amended by the General Assembly, candidates for the Cumberland County Board of Education shall file their notices of candidacy with the Cumberland County Board of ~~Education~~ Elections not earlier than 12:00 noon on the first Friday in July and not later than 12:00 noon on the first Friday in August."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 945 **CHAPTER 811**

AN ACT TO ADJUST FEES IN THE GENERAL COURT OF JUSTICE AND THE FACILITIES FEE, TO ALLOW THE PRORATING OF WATER FEES, AND TO ESTABLISH THE PERCENTAGE RATE FOR THE INSURANCE REGULATORY CHARGE AND THE PUBLIC UTILITY REGULATORY FEE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-304(a) reads as rewritten:

"(a) In every criminal case in the superior or district court, wherein the defendant is convicted, or enters a plea of guilty or *nolo*

contendere, or when costs are assessed against the prosecuting witness, the following costs shall be assessed and collected, except that when the judgment imposes an active prison sentence, costs shall be assessed and collected only when the judgment specifically so provides, and that no costs may be assessed when a case is dismissed.

(1) For each arrest or personal service of criminal process, including citations and subpoenas, the sum of five dollars ($5.00), to be remitted to the county wherein the arrest was made or process was served, except that in those cases in which the arrest was made or process served by a law-enforcement officer employed by a municipality, the fee shall be paid to the municipality employing the officer.

(2) For the use of the courtroom and related judicial facilities, the sum of ~~five dollars ($5.00)~~ six dollars ($6.00) in the district court, including cases before a magistrate, and the sum of ~~twenty-three dollars ($23.00)~~ twenty-four dollars ($24.00) in superior court, to be remitted to the county in which the judgment is rendered. In all cases where the judgment is rendered in facilities provided by a municipality, the facilities fee shall be paid to the municipality. Funds derived from the facilities fees shall be used exclusively by the county or municipality for providing, maintaining, and constructing adequate courtroom and related judicial facilities, including: adequate space and furniture for judges, district attorneys, public defenders, magistrates, juries, and other court related personnel; office space, furniture and vaults for the clerk; jail and juvenile detention facilities; free parking for jurors; and a law library (including books) if one has heretofore been established or if the governing body hereafter decides to establish one. In the event the funds derived from the facilities fees exceed what is needed for these purposes, the county or municipality may, with the approval of the Administrative Officer of the Courts as to the amount, use any or all of the excess to retire outstanding indebtedness incurred in the construction of the facilities, or to reimburse the county or municipality for funds expended in constructing or renovating the facilities (without incurring any indebtedness) within a period of two years before or after the date a district court is established in such county, or to supplement the operations of the General Court of Justice in the county.

(3) For the retirement and insurance benefits of both State and local government law-enforcement officers, the sum of

seven dollars and twenty-five cents ($7.25), to be remitted to the State Treasurer. Fifty cents (50¢) of this sum shall be administered as is provided in Article 12C of Chapter 143 of the General Statutes. Five dollars and seventy-five cents ($5.75) of this sum shall be administered as is provided in Article 12E of Chapter 143 of the General Statutes, with one dollar and twenty-five cents ($1.25) being administered in accordance with the provisions of G.S. 143-166.50(e). One dollar ($1.00) of this sum shall be administered as is provided in Article 12F of Chapter 143 of the General Statutes.

(3a) For the supplemental pension benefits of sheriffs, the sum of seventy-five cents (75¢), to be remitted to the Department of Justice and administered under the provisions of Article 12G of Chapter 143 of the General Statutes.

(4) For support of the General Court of Justice, the sum of ~~thirty-seven dollars ($37.00)~~ forty-one dollars ($41.00) in the district court, including cases before a magistrate, and the sum of ~~forty-four dollars ($44.00)~~ forty-eight dollars ($48.00) in the superior court, to be remitted to the State Treasurer.

(5) For using pretrial release services, the district or superior court judge shall, upon conviction, impose a fee of fifteen dollars ($15.00) to be remitted to the county providing the pretrial release services. This cost shall be assessed and collected only if the defendant had been accepted and released to the supervision of the agency providing the pretrial release services."

Sec. 2. G.S. 7A-305(a) reads as rewritten:

"(a) In every civil action in the superior or district court the following costs shall be assessed:

(1) For the use of the courtroom and related judicial facilities, the sum of ~~five dollars ($5.00)~~ six dollars ($6.00) in cases heard before a magistrate, and the sum of ~~nine dollars ($9.00)~~ ten dollars ($10.00) in district and superior court, to be remitted to the county in which the judgment is rendered, except that in all cases in which the judgment is rendered in facilities provided by a municipality, the facilities fee shall be paid to the municipality. Funds derived from the facilities fees shall be used in the same manner, for the same purposes, and subject to the same restrictions, as facilities fees assessed in criminal actions.

(2) For support of the General Court of Justice, the sum of ~~fifty-one dollars ($51.00)~~ fifty-five dollars ($55.00) in the superior court, and the sum of ~~thirty-six dollars ($36.00)~~ forty dollars ($40.00) in the district court except that if the case is assigned to a magistrate the sum shall be ~~twenty-four dollars ($24.00).~~ twenty-eight dollars ($28.00). Sums collected under this subsection shall be remitted to the State Treasurer."

Sec. 3. G.S. 7A-306 reads as rewritten:

"*§ 7A-306. Costs in special proceedings.*

(a) In every special proceeding in the superior court, the following costs shall be assessed:

(1) For the use of the courtroom and related judicial facilities, the sum of ~~three dollars ($3.00),~~ four dollars ($4.00) to be remitted to the county. Funds derived from the facilities fees shall be used in the same manner, for the same purposes, and subject to the same restrictions, as facilities fees assessed in criminal actions.

(2) For support of the General Court of Justice the sum of ~~twenty-two dollars ($22.00).~~ twenty-six dollars ($26.00). In addition, in proceedings involving land, except boundary disputes, if the fair market value of the land involved is over one hundred dollars ($100.00), there shall be an additional sum of thirty cents (30¢) per one hundred dollars ($100.00) of value, or major fraction thereof, not to exceed a maximum additional sum of two hundred dollars ($200.00). Fair market value is determined by the sale price if there is a sale, the appraiser's valuation if there is no sale, or the appraised value from the property tax records if there is neither a sale nor an appraiser's valuation. Sums collected under this subsection shall be remitted to the State Treasurer.

(b) The facilities fee and ~~twenty-two dollars ($22.00)~~ twenty-six dollars ($26.00) of the General Court of Justice fee are payable at the time the proceeding is initiated.

(c) The following additional expenses, when incurred, are assessable or recoverable, as the case may be:

(1) Witness fees, as provided by law.

(2) Counsel fees, as provided by law.

(3) Costs on appeal, of the original transcript of testimony, if any, insofar as essential to the appeal.

(4) Fees for personal service of civil process, and other sheriff's fees, and for service by publication, as provided by law.

(5) Fees of guardians *ad litem*, referees, receivers, commissioners, surveyors, arbitrators, appraisers, and other similar court appointees, as provided by law. The fees of such appointees shall include reasonable reimbursement for stenographic assistance, when necessary.

(d) Costs assessed before the clerk shall be added to costs assessable on appeal to the judge or upon transfer to the civil issue docket.

(e) Nothing in this section shall affect the liability of the respective parties for costs, as provided by law.

(f) This section does not apply to a foreclosure under power of sale in a deed of trust or mortgage."

Sec. 4. G.S. 7A-307(a) reads as rewritten:

"(a) In the administration of the estates of decedents, minors, incompetents, of missing persons, and of trusts under wills and under powers of attorney, and in collections of personal property by affidavit, the following costs shall be assessed:

(1) For the use of the courtroom and related judicial facilities, the sum of ~~three dollars ($3.00),~~ four dollars ($4.00), to be remitted to the county. Funds derived from the facilities fees shall be used in the same manner, for the same purposes, and subject to the same restrictions, as facilities fees assessed in criminal actions.

(2) For support of the General Court of Justice, the sum of ~~twenty-two dollars ($22.00),~~ twenty-six dollars ($26.00), plus an additional forty cents (40¢) per one hundred dollars ($100.00), or major fraction thereof, of the gross estate, not to exceed three thousand dollars ($3,000). Gross estate shall include the fair market value of all personalty when received, and all proceeds from the sale of realty coming into the hands of the fiduciary, but shall not include the value of realty. In collections of personal property by affidavit, the fee based on the gross estate shall be computed from the information in the final affidavit of collection made pursuant to G.S. 28A-25-3 and shall be paid when that affidavit is filed. In all other cases, this fee shall be computed from the information reported in the inventory and shall be paid when the inventory is filed with the clerk. If additional gross estate, including income, comes into the hands of the fiduciary after the filing of the inventory, the fee for such additional value shall be assessed and paid upon the filing of any account or report disclosing such additional value. For each filing the

minimum fee shall be ~~five dollars ($5.00).~~ ten dollars ($10.00). Sums collected under this subsection shall be remitted to the State Treasurer.

(2a) Notwithstanding subdivision (2) of this subsection, the fee of forty cents (40¢) per one hundred dollars ($100.00), or major fraction, of the gross estate, not to exceed three thousand dollars ($3,000), shall not be assessed on personalty received by a trust under a will when the estate of the decedent was administered under Chapters 28 or 28A of the General Statutes. Instead, a fee of ~~ten dollars ($10.00)~~ fifteen dollars ($15.00) shall be assessed on the filing of each annual and final account.

(2b) Notwithstanding subdivisions (1) and (2) of this subsection, no costs shall be assessed when the estate is administered or settled pursuant to G.S. 28A-25-6.

(3) For probate of a will without qualification of a personal representative, the clerk shall assess a facilities fee as provided in subdivision (1) of this subsection and shall assess for support of the General Court of Justice, the sum of ~~twelve dollars ($12.00).~~ seventeen dollars ($17.00)."

Sec. 5. G.S. 7A-307(b) reads as rewritten:

"(b) In collections of personal property by affidavit, the facilities fee and ~~twenty-two dollars ($22.00)~~ twenty-six dollars ($26.00) of the General Court of Justice fee shall be paid at the time of filing the qualifying affidavit pursuant to G.S. 28A-25-1. In all other cases, these fees shall be paid at the time of filing of the first inventory. If the sole asset of the estate is a cause of action, the ~~twenty-five dollars ($25.00)~~ thirty dollars ($30.00) shall be paid at the time of the qualification of the fiduciary."

Sec. 6. G.S. 130A-328(a) reads as rewritten:

"(a) No person shall operate a community water system who has not been issued an operating permit by the Department. A community water system operating permit shall be valid ~~for one year from the date of issue~~ from January 1 through December 31 of each year unless suspended or revoked by the Department for cause. The Commission shall adopt rules concerning permit issuance and renewal and permit suspension and revocation. The annual fees in subsection (b) shall be prorated on a monthly basis for permits obtained after January 1 of each year."

Sec. 7. The percentage rate to be used in calculating the insurance regulatory charge under G.S. 58-6-25 is seven and twenty-five hundredths percent (7.25%) for the 1992 taxable year.

Sec. 8. The percentage rate to be used in calculating the public utility regulatory fee under G.S. 62-302(b)(2) is eighty-five

thousandths percent (0.085%) of each public utility's North Carolina jurisdictional revenues earned during each quarter that begins on or after July 1, 1992.

Sec. 9. Sections 1 through 6 and Section 8 become effective July 1, 1992. Section 7 of this act is effective for taxable years beginning on or after January 1, 1992. Sections 1 through 5 of this act shall apply to all fees assessed or paid on and after July 1, 1992.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.B. 1245 **CHAPTER 812**

AN ACT TO MAKE MODIFICATIONS IN THE BASE BUDGET AND EXPANSION BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, FOR THE 1992-93 FISCAL YEAR, TO EXTEND CERTAIN EXPIRING BUDGET PROVISIONS, AND FOR OTHER PURPOSES.

The General Assembly of North Carolina enacts:

BUDGET CONTINUATION

Section 1. Notwithstanding Chapters 689, 742, 760, and 761 of the 1991 Session Laws, the Director of the Budget shall not allocate funds for any of the purposes set out in the base budget reductions contained in House Bill 1340, 3rd edition, 1991 Session, and House Bill 1340, 5th edition, 1991 Session, that are not in controversy.

This section shall remain in effect until ratification of The Current Operations Appropriations Act of 1992, at which time that act shall become effective and shall govern appropriations and expenditures. Upon ratification of The Current Operations Appropriations Act of 1992, the Director of the Budget shall adjust allocations to give effect to that act from July 1, 1992.

Except as otherwise provided by this act, the limitations and directions for the 1992-93 fiscal year in Chapters 689, 742, 760, and 761 of the 1991 Session Laws shall remain in effect.

BLOCK GRANT PROVISIONS

Sec. 2. (a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1993, according to the following schedule:

TOTAL JOB TRAINING PARTNERSHIP ACT	$ 52,949,580
COMMUNITY SERVICES BLOCK GRANT	
01. Community Action Agencies	$ 9,038,133
02. Limited Purpose Agencies	501,595
03. Department of Human Resources to administer and monitor the activities of the Community Services Block Grant	478,019
TOTAL COMMUNITY SERVICES BLOCK GRANT	$ 10,017,747
COMMUNITY DEVELOPMENT BLOCK GRANT	
01. State Administration	$ 957,840
02. Urgent Needs and Contingency	2,096,708
03. Housing Development	2,096,708
04. Economic Development	8,386,832
05. Community Revitalization	29,353,912
TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT	$ 42,892,000
MATERNAL AND CHILD HEALTH SERVICES	
01. Healthy Mother/Healthy Children Block Grants to Local Health Departments	$ 11,673,617
02. High Risk Maternity Clinic Services, Perinatal Education, and Consultation to Local Health Departments and Other Health Care Providers	1,412,018
03. Services to Disabled Children	5,215,987

04. Reimbursements for Local Health Departments for Contracted Nutritional Services	120,530
TOTAL MATERNAL AND CHILD HEALTH SERVICES	$ 18,422,152
SOCIAL SERVICES BLOCK GRANT	
01. County Departments of Social Services	$ 42,313,005
02. Allocation for State In-Home Services	545,383
03. Division of Mental Health, Developmental Disabilities, and Substance Abuse	5,514,782
04. Division of Services for the Blind	3,162,920
05. Division of Youth Services	1,037,868
06. Division of Facility Services	330,573
07. Division of Aging	333,656
08. Day Care Services	12,158,899
09. Volunteer Services	55,086
10. State Administration and State Level Contracts	3,392,468
11. Voluntary Sterilization Funds	98,710
12. Transfer to Maternal and Child Health Block Grant	1,585,833
13. Adult Day Care Services	314,229
14. Allocation to the Home and Community Care Block Grant Persons Age 60 and Over	1,511,654

15. County Departments of Social Services for Child Abuse/Prevention and Permanency Planning	394,841
16. Allocation to Division of Maternal and Child Health for Grants-in-Aid to Prevention Programs	439,261
17. Transfer to Preventive Health Block Grant for Emergency Medical Services and Basic Public Health Services	486,258
18. Allocation to Preventive Health Block Grant for AIDS Education	290,577
19. Allocation to Department of Administration for North Carolina Fund for Children	45,270
20. Allocation to the Division of Economic Opportunity for Head Start, Elderly, and Handicapped Services	197,421
TOTAL SOCIAL SERVICES BLOCK GRANT	$ 74,208,694

LOW INCOME ENERGY BLOCK GRANT

01. Energy Assistance Programs	$ 5,926,428
02. Crisis Intervention	1,344,531
03. Administration	599,749
04. Indian Affairs	8,226
05. Transfer to Social Services Block Grant for Adult Day Care Services	126,423
06. Reserve due to Delayed Federal Funding	20,943,028
TOTAL LOW INCOME ENERGY BLOCK GRANT	$ 28,948,385

ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES BLOCK GRANT

01.	Allocate funds to the four regional offices on a per capita basis for mental health services	$ 2,250,173
02.	Programs for the Chronically Mentally Ill	3,323,686
03.	Continuation and expansion of child mental health services in accordance with the Child Mental Health Plan including group homes, specialized foster care, therapeutic homes, professional parenting programs, and respite care	1,079,595
04.	Continuation of community-based alcohol and drug services including prevention, early intervention, treatment, rehabilitation, nonhospital medical detoxification, training and specialized project for the hearing impaired	6,119,504
05.	Continuation and expansion of services to female substance abusers, including specialized services at the ADATCS	2,658,736
06.	Continuation of services to IV drug abusers, including increased capacity for drug screens and IV services at the ADATCS	3,853,579
07.	Services to adolescents, including continuation of services in accordance with the Youth Substance Abuse Plan	3,140,864
08.	Funding to support the provision of Treatment Alternatives to Street Crimes (TASC) programs for adults	

and four demonstration projects with local jails	577,104
09. Continuing of funding for detoxification services in the Eastern Region	1,048,110
10. Administration	1,507,527
TOTAL ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH SERVICES BLOCK GRANT	$ 25,558,878

COMMUNITY YOUTH ACTIVITY PROGRAM BLOCK GRANT

01. Development of a Community-Based Substance Abuse Prevention Program for Youth	$ 45,288
TOTAL COMMUNITY YOUTH ACTIVITY PROGRAM BLOCK GRANT	$ 45,288

CHILD CARE AND DEVELOPMENT BLOCK GRANT

01. Child Day Care Services	$ 14,363,594
02. Head Start Wrap-Around	3,209,984
03. Revolving Loans/Grants	66,861
04. County Day Care Coordinators	592,020
05. Staff/Child Ratio Reduction	212,821
06. Study of Day Care Salaries	35,286
07. Child Care Worker Credentials	436,465
08. Resource and Referral Programs	815,699
09. Facility Services Administration	648,660
10. Monitoring Improvement	152,256
11. Child Care Development Funds	1,222,124

If funds appropriated through the Child Care and Development Block Grant for any program cannot be obligated or spent in that program within the obligation or liquidation periods allowed by the federal grants, the Department may move funds to other programs, in accordance with the federal requirements of the grant, in order to use the federal funds fully.

TOTAL CHILD CARE AND DEVELOPMENT
BLOCK GRANT $ 21,755,770

(b) Decreases in Federal Fund Availability

If federal funds are reduced below the amounts specified above after the effective date of this act, then every program, in each of the federal block grants listed above, shall be reduced by the same percentage as the reduction in federal funds.

(c) Increases in Federal Fund Availability

Any block grant funds appropriated by the United States Congress in addition to the funds specified in this act shall be expended as follows:

(1) For the Community Development Block Grant -- each program category under the Community Development Block Grant shall be increased by the same percentage as the increase in federal funds.

(2) For the Maternal and Child Health Services Block Grant -- thirty percent (30%) of these additional funds shall be allocated to services for children with special health care needs and seventy percent (70%) shall be allocated to local health departments to assist in the reduction of infant mortality.

(3) For other block grants -- these additional funds may be budgeted by the appropriate department, with the approval of the Office of State Budget and Management, provided the resultant increases are in accordance with federal block grant requirements and are within the scope of the block grant plan approved by the General Assembly. All these budgeted increases shall be reported to the Joint Legislative Commission on Governmental Operations and to the Director of the Fiscal Research Division.

This subsection shall not apply to Job Training Partnership Act funds.

(d) Education Setaside of JTPA Funds

The Department of Economic and Community Development shall certify to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office when Job Training Partnership Act funds have been

distributed to each agency, the total amount distributed to each agency, and the total amount of eight percent (8%) Education Setaside funds received.

(e) Limitations on Community Development Block Grant Funds

Of the funds appropriated in this section for the Community Development Block Grant, not more than nine hundred fifty-seven thousand eight hundred forty dollars ($957,840) may be used for State administration; up to two million ninety-six thousand seven hundred eight dollars ($2,096,708) may be used for Urgent Needs and Contingency; up to two million ninety-six thousand seven hundred eight dollars ($2,096,708) may be used for Housing Development; up to eight million three hundred eighty-six thousand eight hundred thirty-two dollars ($8,386,832) may be used for Economic Development; and not less than twenty-nine million three hundred fifty-three thousand nine hundred twelve dollars ($29,353,912) shall be used for Community Revitalization. If federal block grant funds are reduced or increased by the United States Congress after the effective date of this act, then these reductions or increases shall be allocated in accordance with subsection (b) or (c) of this section, as applicable.

(f) Upon the federal government's release of the funds budgeted in the Low Income Energy Block Grant Reserve in this act, these funds shall be used to restore funding to all programs, if needed, other than the Weatherization Program, that were funded with Low Income Energy Assistance Block Grant funds as identified in Section 5 of Chapter 689 of the 1991 Session Laws.

Sec. 3. The Director of the Budget shall continue to allocate funds for expenditure from the Preventive Health Block Grant at the level at which the expenditures were authorized by the General Assembly for the 1991-92 fiscal year.

To the extent necessary to implement this authorization, there is appropriated from the Preventive Health Block Grant for the 1992-93 fiscal year, funds necessary to carry out this section.

This appropriation and this authorization to allocate and spend funds shall remain in effect until ratification of The Current Operations Appropriations Act of 1992, at which time that act shall become effective and shall govern appropriations and expenditures. Upon ratification of The Current Operations Appropriations Act of 1992, the Director of the Budget shall adjust allocations to give effect to that act from July 1, 1992.

Except as otherwise provided by this section, the limitations and directions for the Preventive Health Block Grant funds for the 1991-92 fiscal year that applied to appropriations of federal block grant funds to

particular agencies or for particular purposes apply to the funds appropriated and authorized for expenditure under this section.

EMPLOYEE SALARIES

Sec. 4. The salary schedules and specific salaries established for fiscal year 1991-92 for offices and positions shall remain in effect until the effective date of The Current Operations Appropriations Act of 1992.

Teachers and other employees shall not move up on these salary schedules or receive automatic, annual, performance, merit, or other increments until authorized by the General Assembly.

SALARY RELATED CONTRIBUTIONS/EMPLOYERS

Sec. 5. (a) Section 188(c) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(c) Effective July 1, 1992, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 1992-93 fiscal year are (i) ten and ninety-three hundredths percent (10.93%) - Teachers and State Employees; (ii) fifteen and ninety-three hundredths percent (15.93%) - State Law Enforcement Officers; (iii) eight and sixty-six hundredths percent (8.66%) - University Employees' Optional Retirement Program; (iv) ~~twenty-nine and forty-six hundredths percent (29.46%)~~ twenty-six and three hundredths percent (26.03%) - Consolidated Judicial Retirement System; and (v) thirty-two and thirty hundredths percent (32.30%) - Legislative Retirement System. Each of the foregoing contribution rates includes two percent (2%) for hospital and medical benefits. The rate for State Law Enforcement Officers includes five percent (5%) for the Supplemental Retirement Income Plan. The rates for Teachers and State Employees, State Law Enforcement Officers, and for the University Employees' Optional Retirement Program includes forty-two hundredths percent (0.42%) for the Disability Income Plan."

(b) If The Current Operations Appropriations Act of 1992 modifies such rates, the Director of the Budget shall further modify the rates set in that act for the remainder of the 1992-93 fiscal year so as to compensate for the different amount contributed between July 1, 1992, and the effective date of The Current Operations Appropriations Act of 1992, so that the effective rate for the entire year reflects The Current Operations Appropriations Act of 1992.

BUDGET CLARIFICATIONS

Sec. 6. (a) The General Assembly finds that it is necessary to clarify the provisions of the State budget for the 1991-93 fiscal biennium, the Executive Budget Act, and other statutes that affect the administration of the budget. The provisions of this section are intended to provide this clarification and are not intended to make substantive changes in the law.

(b) G.S. 143-16.3 reads as rewritten:

"*§ 143-16.3. No expenditures for purposes for which the General Assembly has considered but not enacted an appropriation.*

Notwithstanding any other provision of law, no funds from any source, except for gifts, grants, and funds allocated from the Contingency and Emergency Fund by the Council of State, may be expended for any ~~purpose~~ purpose, position, or other expenditure for which the General Assembly has considered but not enacted an appropriation of funds for the current fiscal period. For the purpose of this section, the General Assembly has considered a ~~purpose~~ purpose, position, or other expenditure when that purpose is included in a bill or petition or when any committee of the Senate or the House of Representatives deliberates on that purpose."

(c) G.S. 143-23 reads as rewritten:

"*§ 143-23. All maintenance funds for itemized purposes; transfers between objects ~~and~~ or line items.*

(a) All appropriations now or hereafter made for the maintenance of the various departments, institutions and other spending agencies of the State, are for the (i) purposes or programs ~~and/or~~ and (ii) objects or line items enumerated in the itemized requirements of such departments, institutions and other spending agencies submitted to the General Assembly by the Director of the Budget and the Advisory Budget Commission, ~~and/or~~ as amended by the General Assembly. The function of the Advisory Budget Commission under this subsection applies only if the Director of the Budget consults with the Commission in preparation of the budget.

(a1) No transfers may be made between objects or line items in the budget of any department, institution, or other spending agency; however, with the approval of the Director of the Budget, a department, institution, or other spending agency may spend more than was appropriated for ~~a~~ an object or line item if the overexpenditure is:

(1) In a purpose or program for which funds were appropriated for that fiscal period and the total amount spent for the purpose or program is no more than was appropriated for the purpose or program for the fiscal period;

(2) Required to continue a purpose or program because of unforeseen events, so long as the scope of the purpose or program is not increased;

(3) Required by a court, Industrial Commission, or administrative hearing officer's order or award or to match unanticipated federal funds;

(4) Required to respond to an unanticipated disaster such as a fire, hurricane, or tornado; or

(5) Required to call out the National Guard.

The Director of the Budget shall report on a quarterly basis to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office the reason if the amount expended for a purpose or program is more than the amount appropriated for it from all sources.

Funds appropriated for salaries and wages are also subject to the limitation that they may only be used for (i) salaries and wages or for premium pay, overtime pay, longevity, unemployment compensation, workers' compensation, temporary wages, contracted personal services, moving expenses, payment of accumulated annual leave, certain awards to employees, tort claims, and employer's social security, retirement, and hospitalization ~~payments; provided, however, funds appropriated for salaries and wages may also be used for~~ payments; or (ii) ~~purposes~~ uses for which over expenditures are permitted by subdivisions (3), (4), and (5) of this subsection but the Director of the Budget shall include such use and the reason for it in his quarterly report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services ~~Office. Lapsed~~ Office.

Lapsed salary funds that become available from vacant positions are also subject to the limitation that they may not be used for new permanent employee positions or to raise the salary of existing employees.

~~As used in this subsection, 'program' means a group of expenditure and receipt line items for support of a specific budgeted activity outlined in the certified budget for each department, agency, or institution, as designated by the four-digit fund (purpose) number in the Budget Preparation System.~~

The requirements in this section that the Director of the Budget report to the Joint Legislative Commission on Governmental Operations shall not apply to expenditures of receipts by entities that are wholly receipt supported, except for entities supported by the Wildlife Resources Fund.

(b) Repealed by Session Laws 1985, c. 290, s. 8, effective July 1, 1985.

(c) Transfers or changes as between objects ~~and~~ or line items in the budget of the Senate may be made by the President Pro Tempore of the Senate;

(d) Transfers or changes as between objects ~~and~~ or line items in the budget of the House of Representatives may be made by the Speaker of the House of Representatives;

(e) Transfers or changes as between objects ~~and~~ or line items in the budget of the General Assembly other than of the Senate and

House of Representatives may be made jointly by the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

(f) As used in this section:

(1) 'Object or line item' means a budgeted expenditure or receipt in the budget enacted by the General Assembly that is designated by (i) a thirteen-digit code in the 1000-object code series or (ii) an eleven-digit code in all other object code series, in accordance with the Budget Code Structure and the State Accounting System Uniform Chart of Accounts set out in the Administrative Policies and Procedures Manual of the Office of the State Controller.

(2) 'Purpose or program' means a group of objects or line items for support of a specific activity outlined in the budget adopted by the General Assembly that is designated by a nine-digit fund code in accordance with the Budget Code Structure and the State Accounting System Uniform Chart of Accounts set out in the Administrative Policies and Procedures Manual of the Office of the State Controller."

(d) Section 351 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 351. (a) The Joint Appropriations Committee House/Senate Base and Expansion Budget ~~Report~~ and the Joint Appropriations Committee House/Senate Base and Expansion Budget Conference Report dated July 11, 1991, which were distributed in the House and Senate and used to explain this act, shall indicate action by the General Assembly on this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for these purposes shall be considered a part of this act.

(b) The budget enacted by the General Assembly for the maintenance of the various departments, institutions, and other spending agencies of the State for the 1991-93 fiscal biennium is a line item budget, in accordance with the Budget Code Structure and the State Accounting System Uniform Chart of Accounts set out in the Administrative Policies and Procedures Manual of the Office of the State Controller. This budget includes the appropriations made from all sources including the General Fund, Highway Fund, special funds, cash balances, federal receipts, and departmental receipts.

The General Assembly amended the itemized budget requests submitted to the General Assembly by the Director of the Budget and the Advisory Budget Commission, in accordance with the steps that follow and the line item detail in the budget enacted by the General Assembly may be derived accordingly:

(1) Negative reserves set out in the submitted budget were deleted and the totals were increased accordingly.

(2) The base budget was adjusted in accordance with the base budget cuts and additions that were set out in the Joint Appropriations Committee House/Senate Base and Expansion Budget and the Joint Appropriations Committee House/Senate Base and Expansion Budget Conference Report dated July 11, 1991.

(3) The expansion budget items were added in accordance with the Joint Appropriations Committee House/Senate Base and Expansion Budget and the Joint Appropriations Committee House/Senate Base and Expansion Budget Conference Report dated July 11, 1991, and the accompanying correction sheets. Some of those expansion budget items were in the budget submitted to the General Assembly by the Director of the Budget and the Advisory Budget Commission.

Expansion budget items that were funded from new receipts are included in the budget enacted by the General Assembly with program-level detail.

(4) Transfers of funds supporting programs were made in accordance with the Joint Appropriations Committee House/Senate Base and Expansion Budget and the Joint Appropriations Committee House/Senate Base and Expansion Budget Conference Report dated July 11, 1991, and the accompanying correction sheets.

The budget enacted by the General Assembly shall also be interpreted in accordance with the special provisions in this act and in accordance with other appropriate legislation.

In the event that there is a conflict between the line item budget certified by the Director of the Budget and the budget enacted by the General Assembly, the budget enacted by the General Assembly shall prevail."

(e) G.S. 58-6-25(d) reads as rewritten:

"(d) Use of Proceeds. The Department of Insurance Fund is created in the State treasury. The proceeds of the charge levied in this section and all fees collected under Articles 69 through 71 of this Chapter and under Articles 9 and 9C of Chapter 143 of the General Statutes shall be credited to the Fund. The Fund shall be placed in an interest-bearing account and any interest or other income derived from the Fund shall be credited to the Fund. Moneys in the Fund may be spent only pursuant to appropriation by the General ~~Assembly.~~ Assembly and in accordance with the line item budget enacted by the General Assembly. The Fund is subject to the provisions of the

Executive Budget Act, except that no unexpended surplus of the Fund shall revert to the General Fund. All money credited to the Fund shall be used only to pay the expenses of the Commissioner and the Department that are incurred in regulating the insurance industry and other industries in this State and the general administrative expenses of the State incident thereto."

(f) Of the funds appropriated to the Department of Public Education for the 1991-93 fiscal biennium, the funds for the operation and maintenance of the Department of Public Instruction, for State aid to non-State agencies, and for the operation of the State Board of Education are as follows:

DEPARTMENT OF PUBLIC EDUCATION
TOTAL REQUIREMENTS

1991-92

FUND	Department of Public Instruction	Aid to Local School Administrative Units	State Board of Education
1000	2,276,885	--	118,900
1100	11,594,516	--	--
1200	2,542,623	--	--
1300	4,370,254	--	--
1400	12,551,101	--	16,146
1500	2,927,256	--	--
1600	11,386,980	--	17,668
1700	--	--	--
1800	--	3,199,427,158	--
1900	491,734	--	--
TOTAL	48,141,349	3,199,427,158	152,714

1992-93

FUND	Department of Public Instruction	Aid to Local School Administrative Units	State Board of Education
1000	2,271,969	--	93,900
1100	11,578,464	--	--
1200	2,543,364	--	--
1300	4,326,584	--	--

1400	12,826,595	--	16,146
1500	2,923,299	--	--
1600	11,281,018	--	17,668
1700	--	--	--
1800	--	3,267,053,247	--
1900	491,734	--	--
TOTAL	48,243,027	3,267,053,247	127,714.

(g) G.S. 115C-21(a) is amended by adding a new subdivision to read:

"(7) To have solely under his direction and control all matters relating to provision of staff services and support to the State Board of Education, except as otherwise provided in the Current Operations Appropriations Act."

(h) This section is effective upon ratification.

SAVINGS RESERVE ACCOUNT TECHNICAL CHANGE

Sec. 7. (a) G.S. 143-15.2 reads as rewritten:

"§ *143-15.2. ~~Appropriation~~ Use of General Fund credit balance.*

~~The General Assembly shall appropriate~~ The State Controller shall reserve up to one-fourth of any ~~anticipated~~ credit ~~balance~~ balance, as determined on a cash basis, remaining in the General Fund at the end of each fiscal year to the Savings Reserve Account as provided in ~~G.S. 143-15.3.~~ G.S. 143-15.3, unless that would result in the Savings Reserve Account having funds in excess of five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax reimbursements and local government tax-sharing funds; in that case, only funds sufficient to reach the five percent (5%) level shall be reserved. The General Assembly may appropriate that part of the anticipated General Fund credit balance not ~~appropriated~~ expected to be reserved to the Savings Reserve Account only for capital improvements or other one-time expenditures."

(b) G.S. 143-15.3 reads as rewritten:

"§ *143-15.3. Savings Reserve Account.*

(a) There is established a Savings Reserve Account as a ~~special revenue fund in the State treasury.~~ restricted reserve in the General Fund. ~~The General Assembly shall appropriate~~ The State Controller shall reserve to the Savings Reserve Account one-fourth of any ~~anticipated~~ unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account contains funds equal to five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax reimbursements and local government tax-sharing funds. If the

balance in the Savings Reserve Account falls below this level during a fiscal year, the ~~General Assembly shall appropriate~~ State Controller shall reserve to the Savings Reserve Account for the following fiscal years up to one-fourth of any ~~anticipated~~ unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account again equals five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax reimbursements and local government tax-sharing funds. As used in this section, the term 'unreserved credit balance' means that part of the credit balance, as determined on a cash basis, not already reserved to the Savings Reserve Account.

(b) The Director may not use funds in the Savings Reserve Account unless the use has been approved by an act of the General Assembly."

(c) Section 357(12) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(12) Part 57 -- Budget Reform. G.S. 120-36.7, as enacted by Part 57 of this act, and the amendment to G.S. 143-3.5 in Part 57 of this act, are effective beginning with fiscal estimates addressing the 1992-93 fiscal year. G.S. 143-15.1, as enacted by Part 57 of this act, is effective beginning with the 1992-93 budget. G.S. 143-15.2 and G.S. 143-15.3, as enacted by Part 57 of this act, are effective beginning with the General Fund credit balance at the end of the ~~1992-93~~ 1991-92 fiscal year. G.S. 143-15.4, as enacted by Part 57 of this act, is effective beginning with the 1993-94 General Fund operating budget, and may be used as a guide in preparing the 1992-93 General Fund operating budget. Except as otherwise provided in Part 57 of this act, the remainder of Part 57 of this act is effective upon ratification."

(d) This section is effective upon ratification and applies beginning with the General Fund credit balance at the end of the 1991-92 fiscal year.

CERTAIN GRAPE COUNCIL FUNDS DO NOT REVERT

Sec. 8. (a) Any funds credited to the Department of Agriculture under G.S. 105-113.81A that are not expended by June 30, 1992 do not revert to the General Fund, but are placed in a special reserve to be expended as provided by the General Assembly.

(b) This section is effective on and after July 1, 1991.

LOCAL TAX REIMBURSEMENT TECHNICAL CHANGE

Sec. 9. (a) Article 9 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"*§ 105-248.1. Reimbursement and tax-sharing distributions.*

If the amount appropriated to the Reserve for Reimbursements to Local Governments and Shared Tax Revenues for a fiscal year is less than the amount of the distributions required by law to be made from that reserve for the fiscal year, the deficiency shall be credited to the reserve from the General Fund. If the amount appropriated to the Reserve for Reimbursements to Local Governments and Shared Tax Revenues for a fiscal year is greater than the amount of the distributions required by law to be made from that reserve for the fiscal year, the excess reverts to the General Fund."

(b) This section is effective on and after July 1, 1991.

USE OF LAPSED SALARY FUNDS

Sec. 10. (a) The Department of Correction may use lapsed salary funds from the 1991-92 fiscal year to pay medical care costs, to pay for extradition services, and to reimburse local governments for the housing of prisoners.

(b) This section becomes effective June 30, 1992.

REDUCE AGENCY SALARIES/RETIRED POSITIONS

Sec. 11. For the 1992-93 fiscal year, the Office of State Budget and Management shall establish rules and procedures which require agencies to transfer salary and benefit funds equivalent to thirty percent (30%) of the State supported salary and fringe benefits of positions from which a retirement occurs to the Reserve for Salary Reduction-Positions Vacated by Retirees as created in this act. This provision does not apply to positions paid from the Public School Fund, community college State aid funds, positions of employees whose salaries are specified by statute, or exceptions granted by the Director of the Budget due to agency hardships. Employees eligible for retirement shall not be transferred to non-State supported positions prior to retirement for the purpose of circumventing this provision. No position impacted by this provision shall be reduced below the minimum salary level established by law unless the position is abolished.

The Office of State Budget and Management shall provide to the 1993 General Assembly a report by May 15, 1993, detailing, by agency and position, the savings implemented under this provision in order that these amounts may be deleted from the 1993-95 authorized budget.

EXTEND SENTENCING AND POLICY ADVISORY COMMISSION

Sec. 12. Section 8 of Chapter 1076 of the 1989 Session Laws reads as rewritten:

"Sec. 8. This act is effective upon ratification, and shall expire July ~~1~~ 8, 1992."

EFFECTIVE DATE

Sec. 13. Except as otherwise provided, this act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

S.B. 682 **CHAPTER 813**

AN ACT TO AMEND STATUTES REGULATING HOUSEMOVING.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-359.1 reads as rewritten:

"*§ 20-359.1. Insurance requirements.*

(a) No license shall be issued or renewed pursuant to this Article unless the applicant ~~presents to~~ files with the Department a certificate or certificates of insurance, from an insurance company or companies ~~licensed~~ authorized to do business in this State, providing:

(1) Motor vehicle insurance ~~with minimum coverage of one hundred thousand dollars ($100,000)~~ for bodily injury to or death of one ~~person~~ or more persons in any one ~~accident, three hundred thousand dollars ($300,000) for bodily injury to or death of two or more persons in any one accident, and fifty thousand dollars ($50,000) for~~ accident and for injury to or destruction of property of others in any one ~~accident;~~ accident with minimum coverage of three hundred fifty thousand dollars ($350,000) combined single limit of liability;

(2) Comprehensive general liability insurance with a minimum coverage of three hundred fifty thousand dollars ($350,000) combined single limit of ~~liability;~~ liability, including coverage of operations on North Carolina streets and highways that are not covered by motor vehicle insurance; and

(3) Workers' compensation insurance that complies with Chapter 97 for all employees if the person is licensed as a professional ~~housemover is not exempt from that Chapter.~~ housemover. The exemptions in G.S. 97-13 from the provisions of Chapter 97 shall not apply to licensed professional housemovers.

(b) The certificate or certificates shall provide for continuous coverage during the effective period of the license issued pursuant to this Article. At the time the certificate is filed, the applicant shall also file with the Department a current list of all motor vehicles covered by

the certificate. The applicant shall file amendments to the list within 15 days of any changes.

~~(c) The Department shall be notified by the person licensed as a professional housemover of and 30 days prior to any cancellation or changes made to any provision of the insurance required by subsection (a) of this section.~~

(c) An insurance company issuing any insurance policy required by subsection (a) of this section shall notify the Department of any of the following events at least 30 days before its occurrence: (i) cancellation of the policy, (ii) nonrenewal of the policy, or (iii) any change in the policy.

~~(d) In lieu of the insurance certificate or certificates required by subsection (a) of this section, the applicant may post with the Department a cash bond or other acceptable surety in the amount of fifty thousand dollars ($50,000) for the benefit of any person filing a claim for personal injury, death, or property damage arising from the movement of a structure pursuant to this Article.~~

(d) In addition to all coverages required by this section, the applicant shall file with the Department a copy of either: (i) a bond or other acceptable surety providing coverage in the amount of twenty-five thousand dollars ($25,000) for the benefit of a person contracting with the housemover to move that person's structure for all claims for property damage arising from the movement of a structure pursuant to this Article, or (ii) a policy of cargo insurance in the amount of fifty thousand dollars ($50,000)."

Sec. 2. G.S. 20-358 reads as rewritten:

"*§ 20-358. Qualifications to become licensed.*

The Department shall issue annual printed licenses to applicants meeting the following conditions:

(1) The applicant must be at least 18 years of age; present acceptable evidence of good character and show sufficient housemoving experience on the application form furnished by the Department. Housemoving experience means extensive and responsible training gained by the applicant while engaged actively and directly on a full-time basis in the moving of houses and structures on public roads and highways with at least 24 months experience. Examples of the capacity in which a person may work in gaining experience include the following in building moving operations:

a. Moving superintendent,
b. Moving foreman, and
c. General mechanic and helper in the housemoving profession or trade.

(2) Repealed by Session Laws 1981, c. 818, s. 3, effective August 1, 1981.

(3) The applicant must furnish proof that all of the vehicles, excluding 'beams and dollies' and 'hauling units,' to be used in the movement of buildings, structures, or other extraordinary objects wider than 14 feet have met the requirements of G.S. 20-183.2 pertaining to the equipment inspection of motor vehicles; provided that the 'beams and dollies' and 'hauling units' are excluded from inspection under G.S. 20-183.2 and, further, are not required to be equipped with brakes.

(4) The applicant must exhibit ~~Exhibit~~ his federal employer's identification number.

(5) The applicant must pay an annual license fee of one hundred dollars ($100.00)."

Sec. 3. G.S. 20-361 reads as rewritten:

"§ *20-361. Application for ~~permits.~~ permit and permit fee.*

Application for a permit to move a structure must be made to the division or district engineer having jurisdiction at least two days prior to the date of the move. For good cause shown, this time may be waived by the district or division engineer. A travel plan and a permit application fee of twenty dollars ($20.00) shall accompany the application. Division or district engineers are authorized to issue permits for individual moves of a structure or building whose width does not exceed 36 feet. The travel plan will show the proposed route, the time estimated for each segment of the move, a plan to handle traffic so that no one delay to other highway users shall exceed 20 minutes. The division or district engineers shall review the travel plan and if the route cannot accommodate the move due to roadway weight limits, bridge size or weight limits, or will cause undue interruption of traffic flow, the permit shall not be issued. The applicant may submit alternate plans if desired until an acceptable route is determined. If the width of the building or structure to be relocated is more than 36 feet, or if no acceptable travel plan has been filed, and the denial of the permit would cause a hardship, the application and travel plan may be submitted to the Department on appeal. After reviewing the route and travel plan, the Department may in its discretion issue the permit after considering the practical physical limitations of the route, the nature and purpose of the move, the size and weight of the structure, the distance the structure is to be moved, and the safety and convenience of the traveling public. A surety bond in an amount to cover the cost of any damage to the pavement, structures, bridges, roadway or other damages that may occur can be required if deemed necessary by the Department."

Sec. 4. This act becomes effective August 1, 1992.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.B. 972 **CHAPTER 814**

AN ACT TO PERMIT PUBLIC TRANSPORTATION AUTHORITIES AND REGIONAL PUBLIC TRANSPORTATION AUTHORITIES TO RECEIVE ANNUAL SALES TAX REFUNDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.14(c) reads as rewritten:

"(c) Certain Governmental Entities. Upon receipt of timely applications for refund, the Secretary of Revenue shall make refunds annually to all governmental entities, as hereinafter defined, of sales and use tax paid under this Article, except under G.S. 105-164.4(4a) and G.S. 105-164.4(4c), by said governmental entities on direct purchases of tangible personal property. Sales and use tax liability indirectly incurred by such governmental entities on building materials, supplies, fixtures and equipment which shall become a part of or annexed to any building or structure being erected, altered or repaired which is owned or leased by such governmental entities shall be construed as sales or use tax liability incurred on direct purchases by such governmental entities, and such entities may obtain refunds of such taxes indirectly paid. The refund provisions contained in this subsection shall not apply to any governmental entities not specifically named herein. In order to receive the refund herein provided for, governmental entities shall file a written request for said refund within six months of the close of the fiscal year of the governmental entities seeking said refund, and such request for refund shall be substantiated by such records, receipts and information as the Secretary may require. No refunds shall be made on applications not filed within the time allowed by this section and in such manner as the Secretary may otherwise require. The term 'governmental entities,' for the purposes of this subsection, shall mean all counties, incorporated cities and towns, water and sewer authorities created and existing under the provisions of Chapter 162A of the General Statutes, lake authorities created by a board of county commissioners pursuant to an act of the General Assembly, sanitary districts, regional councils of governments created pursuant to G.S. 160A-470, area mental health, mental retardation, and substance abuse authorities (other than single-county area authorities) established pursuant to Article 4 of Chapter 122C of the General Statutes, district health departments, regional planning

and economic development commissions created pursuant to G.S. 158-14, regional sports authorities created pursuant to G.S. 160A-479, regional economic development commissions created pursuant to G.S. 158-8, regional planning commissions created pursuant to G.S. 153A-391, regional solid waste management authorities created pursuant to G.S. 153A-421, public transportation authorities created pursuant to Article 25 of Chapter 160A of the General Statutes, regional public transportation authorities created pursuant to Article 26 of Chapter 160A of the General Statutes, metropolitan sewerage districts and metropolitan water districts in this State, the North Carolina Low-Level Radioactive Waste Management Authority created pursuant to Chapter 104G of the General Statutes, the North Carolina Hazardous Waste Management Commission created pursuant to Chapter 130B of the General Statutes, and the Rockingham County Airport Authority. Notwithstanding the foregoing provisions of this subsection, the constituent institutions of The University of North Carolina may obtain in the manner prescribed by this subsection a refund of sales and use tax paid by them on or after January 1, 1992, for tangible personal property acquired by them through the expenditure of contract and grant funds."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.B. 999 **CHAPTER 815**

AN ACT TO AMEND THE MEDICARE SUPPLEMENT INSURANCE STATUTES AS REQUIRED BY FEDERAL LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-54-1(5) reads as rewritten:

"(5) 'Policy' means a Medicare supplement policy, which is a group or individual policy of accident and health insurance under Articles 1 through 64 of this Chapter, a subscriber contract under Articles 65 and 66 of this Chapter, or an evidence of coverage under Article 67 of this Chapter, other than a policy issued pursuant to a contract under section 1876 or section 1833 of the federal Social Security Act (42) U.S.C. § 1395 *et seq.*), or an issued policy under a demonstration project authorized pursuant to amendments to the federal Social Security Act, that is advertised, marketed, or designed primarily as a supplement to reimbursements under Medicare for the hospital, medical,

or surgical expenses of persons eligible for ~~Medicare by reason of age.~~ Medicare."

Sec. 2. G.S. 58-54-25 reads as rewritten:

"§ *58-54-25. Disclosure standards.*

(a) In order to provide for full and fair disclosure in the sale of policies, no policy or certificate shall be delivered in this State unless an outline of coverage is delivered to the applicant at the time application is made.

(b) The Commissioner shall prescribe the format and content of the outline of coverage required by subsection (a) of this section. For purposes of this section, 'format' means style, arrangement, and overall appearance, including such items as the size, color, and prominence of type and arrangement of text and captions. Such outline of coverage shall include:

(1) A description of the principal benefits and coverage provided in the policy;

(2) A statement of the exceptions, reductions, and limitations contained in the policy;

(3) A statement of the renewal provisions, including any reservation by the insurer of a right to change premiums; and

(4) A statement that the outline of coverage is a summary of the policy issued or applied for and that the policy should be consulted to determine governing contractual provisions.

(c) The Commissioner may prescribe by rule a standard form and the contents of an informational brochure for persons eligible for ~~Medicare by reason of age,~~ Medicare, which is intended to improve the buyer's ability to select the most appropriate coverage and improve the buyer's understanding of Medicare. Except in the case of direct response insurance policies, the Commissioner may require by rule that the information brochure be provided to any prospective insured eligible for Medicare concurrently with delivery of the outline of coverage. With respect to direct response insurance policies, the Commissioner may require by rule that the prescribed brochure be provided upon request to any prospective insured eligible for ~~Medicare by reason of age,~~ Medicare, but in no event later than the time of policy delivery.

(d) The Commissioner may adopt rules for captions or notice requirements, determined to be in the public interest and designed to inform prospective insureds that particular insurance coverages are not Medicare supplement coverages, for all accident and health insurance policies sold to persons eligible for ~~Medicare by reason of age,~~ Medicare, other than: Medicare supplement policies; disability

income policies; basic, catastrophic, or major medical expense policies; or single premium, nonrenewable policies.

(e) The Commissioner may further adopt rules to govern the full and fair disclosure of the information in connection with the replacement of accident and health insurance policies, subscriber contracts, or certificates by persons eligible for ~~Medicare by reason of age.~~ Medicare."

Sec. 3. G.S. 58-54-10(e) is repealed.

Sec. 4. G.S. 58-54-20(a) reads as rewritten:

"(a) Every insurer providing group Medicare supplement insurance benefits to a resident of this State pursuant to G.S. 58-54-5 shall file a copy of the master policy and any certificate used in this State in accordance with the filing requirements and procedures applicable to group policies issued in this ~~State: Provided, however, that no insurer is required to make a filing earlier than 30 days after insurance is provided to a resident of this State under a master policy issued for delivery outside this~~ State."

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.B. 1129 **CHAPTER 816**

AN ACT TO EXTEND THE NORTH CAROLINA SENTENCING AND POLICY ADVISORY COMMISSION AND TO ADJUST ITS REPORTING DATES AND MEMBERSHIP ACCORDINGLY.

The General Assembly of North Carolina enacts:

Section 1. Section 8 of Chapter 1076 of the 1989 Session Laws reads as rewritten:

"Sec. 8. This act is effective upon ratification, and shall expire July 1, ~~1992.~~ 1993."

Sec. 2. G.S. 164-37 reads as rewritten:

"*§ 164-37. Membership; chairman; meetings; quorum.*

The Commission shall consist of ~~23~~ 27 members as follows:

(1) The Chief Justice of the North Carolina Supreme Court shall appoint a sitting or former Justice or judge of the General Court of Justice, who shall serve as Chairman of the Commission;

(2) The Chief Judge of the North Carolina Court of Appeals, or another judge on the Court of Appeals, serving as his designee;

(3) The Secretary of Correction or his designee;

(4) The Secretary of Crime Control and Public Safety or his designee;
(5) The Chairman of the Parole Commission, or ~~another parole commissioner serving as~~ his designee;
(6) The President of the Conference of Superior Court Judges or his designee;
(7) The President of the District Court Judges Association or his designee;
(8) The President of the North Carolina Sheriff's Association or his designee;
(9) The President of the North Carolina Association of Chiefs of Police or his designee;
(10) One member of the public at large, who is not currently licensed to practice law in North Carolina, to be appointed by the Governor;
(11) One member to be appointed by the Lieutenant Governor;
(12) ~~One member~~ Three members of the House of Representatives, to be appointed by the Speaker of the House;
(13) ~~One member~~ Three members of the Senate, to be appointed by the President Pro Tempore of the Senate;
(14) The President Pro Tempore of the Senate shall appoint the representative of the North Carolina Community Sentencing ~~Alternatives~~ Association that is recommended by the President of that organization;
(15) The Speaker of the House of Representatives shall appoint the member of the business community that is recommended by the President of the North Carolina Retail Merchants Association;
(16) The Chief Justice of the North Carolina Supreme Court shall appoint the criminal defense attorney that is recommended by the President of the North Carolina Academy of Trial Lawyers;
(17) The President of the Conference of District Attorneys or his designee;
(18) The Lieutenant Governor shall appoint the member of the North Carolina Victim Assistance Network that is recommended by the President of that organization;
(19) A rehabilitated former prison inmate, to be appointed by the Chairman of the Commission;
(20) The President of the North Carolina Association of County Commissioners or his designee;
(21) The Governor shall appoint the member of the academic community, with a background in criminal justice or

corrections policy, that is recommended by the President of The University of North Carolina;

(22) The Attorney General, or a member of his staff, to be appointed by the Attorney General;

(23) The Governor shall appoint the member of the North Carolina Bar Association that is recommended by the President of that organization.

The Commission shall have its initial meeting no later than September 1, 1990, at the call of the Chairman. The Commission shall meet a minimum of four regular meetings each year. The Commission may also hold special meetings at the call of the Chairman, or by any four members of the Commission, upon such notice and in such manner as may be fixed by the rules of the Commission. A majority of the members of the Commission shall constitute a quorum."

Sec. 3. G.S. 164-38 reads as rewritten:

"§ *164-38. Terms of members; compensation; expenses.*

~~The Commission members shall serve for a period of two years.~~ The terms of existing members shall expire on June 30, 1992. New members shall be appointed or the existing members reappointed by the appointing authorities to serve until July 1, 1993, unless they resign or are removed. Members serving by virtue of elective or appointive office or as designees of such officeholders may serve only so long as the officeholders hold those respective offices. Members appointed by the Speaker of the House and the President Pro Tempore of the Senate may be removed by the appointing authority without cause. Vacancies occurring before the expiration of a term shall be filled in the manner provided for the members first appointed. A member of the Commission may be removed only for disability, neglect of duty, incompetence, or malfeasance in office. Before removal, the member is entitled to a hearing. Effective with respect to members designated on or after July 1, 1992, a person making a designation pursuant to G.S. 164-37 may not make another designation, except that the person's successor in elective or appointive office may make a new designation.

The Commission members shall receive no salary for serving. All Commission members shall receive necessary subsistence and travel expenses in accordance with the provisions of G.S. 120-3.1, 138-5, and 138-6 as applicable."

Sec. 4. G.S. 164-43(c) reads as rewritten:

"(c) The Commission shall report on its progress in formulating recommendations for the classification and ranges of punishment for felonies and misdemeanors, required by G.S. 164-41, and sentencing structures, established pursuant to G.S. 164-42, ~~shall be submitted~~

~~prior~~ to the 1991 General Assembly, 1992 Regular ~~Session.~~ Session, and shall make a final report on these recommendations no later than 30 days after the convening of the 1993 Session of the General Assembly."

Sec. 5. G.S. 164-42(d) reads as rewritten:

"(d) The Commission shall include with each set of sentencing structures a statement of its estimate of the effect of the sentencing structures on the Department of Correction and local facilities, both in terms of fiscal impact and on inmate population. If the Commission finds that the proposed sentencing structures will result in inmate populations in the Department of Correction and local confinement facilities that exceed the standard operating capacity, then the Commission shall present an additional set of structures that are consistent with that capacity. For purposes of this subsection, 'standard operating capacity' means the total capacity expected to be available in both local confinement facilities and in the Department of Correction once all the proceeds of bonds authorized by Chapter 933 of the 1989 Session Laws and Chapter 935 of the 1989 Session Laws have been expended for the construction of prison facilities."

Sec. 6. Nothing in this act shall be construed to obligate the General Assembly to appropriate funds to implement the provisions of this act.

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.B. 1169 **CHAPTER 817**

AN ACT TO CLARIFY CERTAIN DEDUCTIBLES APPLICABLE TO THE COMMERCIAL LEAKING PETROLEUM UNDERGROUND STORAGE TANK CLEANUP FUND, TO MAKE CURRENT LANDOWNERS WHO ENGAGE IN CLEANUPS ELIGIBLE FOR REIMBURSEMENT FROM THE COMMERCIAL FUND, AND TO ADD TWO MEMBERS TO THE PETROLEUM UNDERGROUND STORAGE TANK FUNDS COUNCIL.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-215.94B(b) reads as rewritten:

"(b) The Commercial Fund shall be used for the payment of the following costs up to an aggregate maximum of one million dollars ($1,000,000) per occurrence resulting from a discharge or release of a petroleum product from a commercial underground storage tank that at the time the discharge or release is discovered or reported is

beneath the surface of the ground or has been removed within the preceding 120 days:

(1) For discharges or releases discovered or reported between 30 June 1988 and 31 December 1991 inclusive, the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of fifty thousand dollars ($50,000) per occurrence.

(2) For discharges or releases discovered on or after 1 January 1992 and reported between 1 January 1992 and 31 December 1993 inclusive, the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of twenty thousand dollars ($20,000) per occurrence.

(3) For discharges or releases reported on or after 1 January 1994, the cleanup of environmental damage as required by G.S. 143-215.94E(a) in excess of twenty thousand dollars ($20,000) if, prior to the discharge or release, the commercial underground storage tank from which the discharge or release occurred met the performance standards applicable to tanks installed after 22 December 1988 or met the requirements that existing underground storage tanks must meet by 22 December 1998.

(4) For discharges or releases reported on or after 1 January 1994 from a commercial underground storage tank that does not meet the standards in subdivision (3) of this subsection, sixty percent (60%) of the costs per occurrence of the cleanup of environmental damage as required by G.S. 143-215.94E(a) that exceeds twenty thousand dollars ($20,000) but is not more than one hundred ~~thirty-seven~~ fifty-seven thousand five hundred dollars ~~($137,500)~~ ($157,500) and one hundred percent (100%) of the costs above this amount, up to the limits established in this section.

(5) Compensation to third parties for bodily injury and property damage in excess of one hundred thousand dollars ($100,000) per occurrence.

(6) Reimbursing the State for damages or other costs incurred as a result of a loan from the Loan Fund. The per occurrence limit does not apply to reimbursements to the State under this subdivision."

Sec. 2. G.S. 143-215.94E is amended by adding a new subsection to read:

"(b1) In the case of a discharge or release from a commercial underground storage tank where the owner and operator cannot be identified or located, or where the owner and operator fail to proceed

as required by subsection (a) of this section, if the current landowner of the land in which the commercial underground storage tank is located notifies the Department in accordance with G.S. 143-215.85 and undertakes to collect and remove the discharge or release and to restore the area affected in accordance with the requirements of this Article and applicable federal and State laws, regulations, and rules, the current landowner may elect to have the Commercial Fund pay or reimburse the current landowner for any costs described in subdivisions (1), (2), (3), and (4) of G.S. 143-215.94B(b) that exceed the amounts for which the owner or operator is responsible under that subsection. The current landowner is not eligible for payment or reimbursement until the current landowner has paid the costs described in subdivisions (1), (2), (3), and (4) of G.S. 143-215.94B(b) for which the owner or operator is responsible. Eligibility for reimbursement under this subsection may be transferred from a current landowner who has paid the costs described in subdivisions (1), (2), (3), and (4) of G.S. 143-215.94B(b) to a subsequent landowner. The sum of payments from the Commercial Fund and from all other sources shall not exceed one million dollars ($1,000,000) per discharge or release. This subsection shall not be construed to require a current landowner to cleanup a discharge or release of petroleum from an underground storage tank for which the current landowner is not otherwise responsible. This subsection does not alter any right, duty, obligation, or liability of a current landowner, former landowner, subsequent landowner, owner, or operator under other provisions of law. This subsection shall not be construed to limit the authority of the Department to engage in a cleanup under this Article or any other provision of law. In the event that an owner or operator is subsequently identified or located, the Secretary shall seek reimbursement as provided in G.S. 143-215.94G(d). The current landowner shall submit documentation of all expenditures as required by G.S. 143-215.94G(b)."

Sec. 3. G.S. 143-215.94O(a) reads as rewritten:

"(a) The North Carolina Petroleum Underground Storage Tank Funds Council is created. The Council shall be composed of ~~nine~~ 11 members as follows:

(1) An employee of the Department who is not employed by the section of the Division of Environmental Management responsible for the administration of the underground storage tank cleanup program who shall be appointed by the Secretary and who shall serve at the pleasure of the Secretary.

(2) ~~Four~~ Five members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate as follows:

a. One who shall, at the time of appointment, be actively connected with a petroleum refining company or an organization representing petroleum refining companies.

b. One who shall, at the time of appointment, be actively connected with a petroleum marketer or an organization representing petroleum marketers.

c. One who shall, at the time of appointment, be actively connected with an environmental insurance carrier or an organization representing environmental insurance carriers.

d. One who shall, at the time of appointment, be actively connected with a commercial lending institution or an organization representing commercial lending institutions.

e. One who shall, at the time of appointment, be actively engaged in farming and the owner of a noncommercial petroleum underground storage tank or actively connected with an organization representing farmers.

(3) ~~Four~~ Five members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives as follows:

a. One who shall, at the time of appointment, be an owner or operator of a convenience store that markets petroleum products or is actively connected with an organization representing convenience store owners or operators.

b. One who shall, at the time of appointment, be a motor fuel service station dealer or actively connected with an organization representing motor fuel service station dealers.

c. One who shall, at the time of appointment, be actively connected with an environmental advocacy organization.

d. One who shall, at the time of appointment, have special training and experience in the remediation of groundwater contamination resulting from leaking petroleum underground storage tanks.

e. One who shall, at the time of appointment, be the owner of a noncommercial petroleum underground storage tank and not eligible for appointment under subdivisions (1), (2)a. through (2)d., or (3)a. through (3)d. of this subsection."

Sec. 4. Initial appointments to the North Carolina Petroleum Underground Storage Tank Funds Council to fill positions that are added by this act shall be for one-year terms expiring 30 June 1993.

Sec. 5. Sections 1 and 5 of this act are effective on and after 1 January 1992. Sections 2, 3, and 4 of this act become effective 1 July 1992.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 515 **CHAPTER 818**

AN ACT TO IMPOSE A PENALTY OF ONE HUNDRED DOLLARS FOR SPEEDING IN CERTAIN HIGHWAY WORK ZONES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-141 is amended by adding a new subsection to read:

"(j2) A person who drives a motor vehicle in a highway work zone at a speed greater than the speed limit set and posted under G.S. 20-141 is responsible for an infraction and is required to pay a penalty of one hundred dollars ($100.00). A 'highway work zone' is the area between the first sign that informs motorists of the existence of a work zone on a highway and the last sign that informs motorists of the end of the work zone. This subsection applies only if a sign posted at the beginning of the highway work zone states the penalty for speeding in the work zone."

Sec. 2. G.S. 136-30(b) reads as rewritten:

"(b) Municipal Street System. -- All traffic signs and other traffic control devices placed on a municipal street system street must conform to the appearance criteria of the Uniform Manual. All traffic control devices placed on a highway that is within the corporate limits of a municipality but is part of the State highway system must be approved by the Department of Transportation."

Sec. 3. This act becomes effective October 1, 1992, and applies to offenses committed on or after that date.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 530 **CHAPTER 819**

AN ACT MAKING VARIOUS AMENDMENTS TO CHAPTER 85B AND CHAPTER 20 OF THE GENERAL STATUTES RELATING TO AUCTIONS AND AUCTIONEERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 85B-1 reads as rewritten:

"*§ 85B-1. Definitions.*

For the purposes of this Chapter the following definitions shall apply:

(1) 'Auction' means the sale of goods or real estate by means of exchanges between an auctioneer and members of ~~his~~ an audience, the exchanges consisting of a series of invitations for offers made by the auctioneer, offers by members of the audience, and the acceptance by the auctioneer of the highest or most favorable offer.

(2) 'Auctioneer' means any person who conducts or offers ~~his service~~ to conduct auctions and includes apprentice auctioneers except as stricter standards are specified by this Chapter for apprentice auctioneers.

(3) 'Owner' means the bona fide owner of the property being offered for sale; in the case of partnerships, 'owner' means a general partner in a partnership that owns the property being offered for sale, provided that in the case of a limited partnership it has filed a certificate of limited partnership as required by Chapter 59 of the General Statutes; in the case of corporations, 'owner' means an officer or director or employee or someone acting on behalf of the employee of a corporation that owns the property being offered for sale ~~and that is qualified~~ provided that the corporation is registered to do business in the ~~State of North Carolina.~~ State.

(4) 'Absolute Auction' means the sale of real or personal property at auction in which the item offered for auction is sold to the highest bidder without reserve, without the requirement of any minimum bid, and without competing bids of any type by the owner, or agent of the owner, of the property.

(5) 'Estate Sale' means the liquidation by sale at auction of real or personal property of a specified person.

(6) 'Auction Firm' means a sole proprietorship of which the owner is not a licensed auctioneer, or any partnership, association, or corporation, not otherwise exempt from this Chapter, that sells either directly or through agents, real or personal property at auction, or that arranges, sponsors, manages, conducts or advertises auctions, or that in the regular course of business uses or allows the use of its facilities for auctions. This definition applies whether or not an owner or officer of the business acts as an auctioneer.

(7) 'Fund' means Auctioneer Recovery Fund."

Sec. 2. G.S. 85B-2 reads as rewritten:

"*§ 85B-2. Activities governed by Chapter.*

(a) This Chapter shall apply to all auctions held in this State except the following:

(1) Sales at auction conducted by the owner of all of the goods or real estate being offered, or an attorney representing the owner, unless the owner's regular course of business includes engaging in the sale of goods or real estate by means of auction or unless the owner originally acquired the goods for the purposes of resale at auction;

(2) Sales at auction conducted by or under the direction of any public authority;

(3) ~~Sales at auction pursuant to a judicial order or in the settlement of a decedent's estate;~~ Sales conducted by a receiver, trustee, guardian, administrator or executor or any similarly appointed person under order of any court or any person conducting a sale pursuant to an order of a United States Bankruptcy Court or the agent or attorney of such person, receiver, trustee, guardian, administrator or executor;

(4) Any sale required by law to be at auction;

(5) Sale of livestock at a public livestock market authorized and regulated by the Commissioner of Agriculture;

(6) Leaf tobacco sales conducted in accordance with the provisions of Chapter 106 of the General Statutes;

(7) Sale at auction of automobiles conducted under the provisions of G.S. 20-77, or sale at auction of motor vehicles by a motor vehicle dealer licensed under Article 12, Chapter 20 of the General Statutes;

(8) Sale at auction of a particular ~~brand~~ breed of livestock conducted by an auctioneer who specializes in the sale of that ~~brand~~ breed when such sale is conducted under the auspices of a livestock trade association; provided that the sale is regulated by the Packers and Stockyards Act and the auctioneer is required to be bonded by the United States Department of Agriculture;

(9) Sales conducted by and on behalf of any charitable or religious organization; ~~organization if the person conducting the sale receives no compensation therefor;~~

(9a) Sales conducted by and on behalf of a civic club, not exceeding one sale per year;

(10) Sales conducted by a trustee pursuant to a power of sale contained in a deed of trust on real property;

(11) Sales of collateral, sales conducted to enforce carriers' or warehousemen's liens, bulk sales, sales of goods by a presenting bank following dishonor of a documentary draft, resales of rightfully rejected goods, resales of goods by an aggrieved seller, or other resales conducted pursuant to authority in Articles 2, 4, 6, 7 and 9 of Chapter 25 of the General Statutes (the Uniform Commercial Code).

(b) The exceptions provided in subdivisions (2), (4), (9), (9a) and (11) of subsection (a) of this section shall not apply to any person or entity engaged in the business of organizing, arranging, or conducting auction sales for compensation."

Sec. 3. G.S. 85B-3 reads as rewritten:

"*§ 85B-3. Auctioneers Commission.*

(a) There shall be a five-member North Carolina Auctioneers Commission having the powers and responsibilities set out in this Chapter. The Governor shall appoint the members of the Commission, at least three of whom, and their successors, shall be from nominations submitted by the Auctioneers Association of North Carolina. The Auctioneers Association shall submit, within 45 days of when the vacancy occurs, at least three names for each position for which it is entitled to make a nomination. Of the initial five members of the Commission one shall be appointed for a one-year term, two shall be appointed for two-year terms and two for three-year terms; thereafter, each new member shall be appointed for a term of three years. Any vacancy shall be filled for the remainder of the unexpired term only. Each member shall continue in office until his successor is appointed and qualified. No member shall serve more than two complete consecutive terms.

(b) At least three members of the Commission shall be experienced auctioneers who are licensed under this Chapter. One member shall be a person who shall represent the public at large and shall not be licensed under this Chapter. ~~The Governor shall appoint a public member to fill the first vacancy on the Commission after July 1, 1983.~~

(c) The Commission shall employ ~~a secretary-treasurer~~ an executive director and ~~such~~ other employees as needed to carry out the duties of this Chapter. All employees shall serve at the pleasure of the Commission.

(d) Any action that may be taken by the Commission may be taken by vote of any three of its members.

(e) The members of the Commission shall elect from among themselves a chairman to serve a one-year term. No person shall serve more than two consecutive terms as chairman.

(f) The Commission shall receive and act upon applications for auctioneer licenses, issue and suspend and revoke licenses, adopt rules

and regulations for auctioneers and ~~auctions.~~ auctions that are consistent with the provisions of this Chapter and the General Statutes, and issue declaratory rulings. ~~and take such other actions as may be necessary to see that the provisions of this Chapter are carried out.~~ The Commission may make and enforce reasonable rules and take other actions necessary to administer and enforce the provisions of this Chapter.

(g) Members of the Commission shall receive the compensation set for members of occupational licensing boards by G.S. 93B-5."

Sec. 4. G.S. 85B-4 reads as rewritten:

"*§ 85B-4. Licenses required.*

(a) No person who is not exempt under G.S. 85B-2, shall sell, or offer ~~his services~~ to sell, goods or real estate at auction in this State or perform any act for which an auction firm license is required unless ~~he~~ the person holds a currently valid ~~auctioneer or apprentice auctioneer license.~~ license issued under this Chapter.

(b) No person shall be licensed as an apprentice ~~auctioneer or as an auctioneer if he:~~ auctioneer, auctioneer, or receive an auction firm license if the person:

(1) Is under 18 years of age;

(2) Repealed by Session Laws 1983, c. 751, s. 6, effective August 1, 1983.

(3) Has within the preceding five years pleaded guilty ~~to~~ to, entered a plea of *nolo contendere* or been convicted of any ~~felony; or~~ felony, or committed or been convicted of any act involving fraud or moral turpitude;

(4) Has had an auctioneer or apprentice auctioneer or auction firm license ~~revoked.~~ revoked; or

(5) Has, within the preceding five years, committed any act which constitutes grounds for license suspension or revocation under this Chapter or a Commission rule.

(c) Each applicant for an apprentice auctioneer license shall submit a written application in a form approved by the Commission and containing at least two statements by residents of ~~North Carolina~~ the community in which the applicant resides attesting to the applicant's good moral character.

(c1) Each apprentice auctioneer application and license shall name a licensed auctioneer to serve as the supervisor of the apprentice. No apprentice auctioneer may enter into an agreement to conduct an auction, or conduct an auction, without the express approval of his supervisor. The supervisor shall review all contracts before approving them and shall regularly review the records his apprentice is required to maintain under G.S. 85B-7 ~~and~~ to see that they are accurate and

~~current.~~ current, and shall perform such other supervisory duties as may be required by the Commission.

(d) No person shall be licensed as an auctioneer unless ~~he~~ the person has held an apprentice auctioneer license and served as an apprentice auctioneer for the two preceding years, accumulated sufficient knowledge and experience in such areas of the auctioneer profession as the Commission may deem appropriate, and has taken an examination approved by the Commission and performed on it to the satisfaction of the Commission. The examination shall test the applicant's understanding of the law relating to auctioneers and auctions, ethical practices for auctioneers, the mathematics applicable to the auctioneer business, and such other matters relating to auctions as the Commission considers appropriate. The examination shall be given at least twice each year in Raleigh, and at ~~such~~ other times and places ~~as~~ the Commission designates, but no person shall be allowed to take the examination within six months after having failed it a second time.

Any person who has been in the auctioneer business in this State for at least two years prior to the effective date of this act, and who makes proper application to the Commission within one year after July 1, 1973, may be licensed as an auctioneer without holding an apprentice license and serving as an apprentice of two years, and without taking the examination required by this subsection. Any person who has successfully completed the equivalent of at least 80 hours of classroom instruction in a course in auctioneering at an institution approved by the Commission may be licensed as an auctioneer without holding an apprentice license and serving as an apprentice for two years, but must take the examination required by this subsection and perform on it to the satisfaction of the Commission.

Each applicant for an auctioneer license shall submit a written application in a form approved by the Commission. If the applicant has been previously licensed as an apprentice auctioneer, the application shall contain an evaluation by the applicant's supervisor of ~~his~~ the applicant's performance as an apprentice ~~auctioneer.~~ auctioneer and the applicant's performance in specific areas as required by the Commission. If the applicant is exempted from apprenticeship ~~because he has completed the~~ after completion of the equivalent of at least 80 hours of classroom instruction in auctioneering, the application shall contain a transcript of ~~his~~ the applicant's course work in auctioneering. Each application shall be accompanied by statements of at least two residents of ~~North Carolina~~ the community in which the applicant resides attesting to the applicant's good moral character. The Commission may require verification of any information included

in an application for an auctioneer ~~license.~~ license and may request other information or verification of information provided to determine whether the applicant possesses the good moral character or other qualifications for licensure.

(e) Each license issued under this Chapter shall be valid from July 1 of the year issued, or from the date issued, whichever is later, to the following June 30 ~~of the succeeding year and may be~~ unless sooner revoked or suspended pursuant to this Chapter or a rule of the Commission. A license may be renewed for one year at a time, except an apprentice auctioneer license may not be renewed for more than three times. No examination shall be required for renewal of an auctioneer license if the application for renewal is made within ~~12~~ 24 months of the expiration of the previous license.

(f) No person shall be issued an auctioneer or apprentice auctioneer license until ~~he~~ the person has made the contribution to the ~~Auctioneer Recovery~~ Fund as required by G.S. 85B-4.1.

(g) ~~A sole proprietorship, partnership, or corporation which in the regular course of business promotes auctions, employs auctioneers to conduct auctions in its facilities, or uses or allows the use of its facilities for auctions,~~ An auction firm must be licensed as an auctioneer business even though no owner or officer of that business acts as an auctioneer. To be licensed ~~as an auctioneer business the sole proprietorship, partnership or corporation~~ an auction firm must make the contribution to the ~~Auctioneer Recovery~~ Fund as required by G.S. 85B-4.1 and must pay the proper fees as set out in ~~G.S. 85B-6, but is not otherwise required to meet qualifications for an auctioneer license.~~ G.S. 85B-6. ~~Licensed auctioneer businesses shall be~~ Auction firms are covered by the provisions of G.S. 85B-8.

An auction firm license issued by the Commission is restricted to the persons named in the license and does not inure to the benefit of any other person. Where a license is issued to an auction firm, authority to transact business under the license is limited to the person or persons designated in the application and named in the license.

The designated person or persons, prior to being licensed, shall be required to take a written examination, approved by the Commission, and demonstrate to the satisfaction of the Commission a thorough understanding of the law relating to the conduct of the auction business and other matters the Commission deems appropriate. An individual who is licensed as an auctioneer and who is the designated person applying for an auction firm license is not required to take the auction firm examination. Licensed real estate brokers and real estate firms may be exempt from the auction firm examination provided they employ or associate themselves with a licensed auctioneer to handle those aspects of the transactions peculiar to the auctioneer profession.

Any person or entity, on the effective date of this Chapter, duly licensed as an auction firm in good standing is not required to take any examination in order to maintain or to renew auction firm license provided that the license does not otherwise expire or lapse and is not suspended or revoked by the Commission.

(h) The Commission shall publish at least once a year a list of names and addresses of all persons, sole proprietorships, partnerships and corporations holding valid apprentice ~~auctioneer or auctioneer licenses or designated as licensed auctioneer partnerships or corporations.~~ auctioneer, auctioneer, or auction firm licenses.

(i) The Commission may investigate as it deems necessary the ethical background of any applicant for licensure under this Chapter."

Sec. 5. G.S. 85B-4.1 reads as rewritten:

"*§ 85B-4.1. Auctioneer Recovery Fund.*

~~(a) In addition to the license fees provided for elsewhere in this Chapter, upon the application for a license or the renewal of a license, or both, the Commission may charge the applicant or licensee an amount not to exceed fifty dollars ($50.00) per year to be included in the Auctioneer Recovery Fund (hereinafter the Fund).~~

~~(b) The purposes of the Fund shall be as follows:~~

~~(1) When an auctioneer, apprentice auctioneer, or auctioneer business has been found guilty of violating any of the provisions of G.S. 85B or the rules promulgated thereunder, and upon the entry of a final agency decision by the Commission or if appealed, a court order, the Commission is authorized to pay the aggrieved party or parties an aggregate amount not to exceed ten thousand dollars ($10,000) against any one auctioneer, apprentice auctioneer, or auctioneer business, provided that the auctioneer, apprentice auctioneer, or auctioneer business has refused to pay such claim within a period of 20 days of entry of the final agency decision or court order and provided further that the amount or amounts of money in question are certain and liquidated.~~

~~(2) The Commission shall maintain a minimum level of one hundred thousand dollars ($100,000) for recovery and guaranty purposes. These funds may be invested and reinvested by the State Treasurer in interest bearing accounts, such interest accrued being added to the Fund. Sufficient liquidity will be maintained so that there will be money available to satisfy any and all claims which may be processed through the Board. The Fund may be disbursed by a warrant drawn against the State Treasurer or other method at the discretion of the State Treasurer.~~

~~(3) The Commission, in its discretion, may use any and all funds in excess of one hundred thousand dollars ($100,000) for the following purposes:~~

~~a. To carry out the advancement of education and research in the auctioneering profession for the benefit of those licensed under the provisions of this Chapter and the improvement of and making even more efficient the industry as such;~~

~~b. To underwrite educational seminars, training centers, and other forms of educational projects for the use and benefit generally of licensees;~~

~~c. To sponsor, contract for and to underwrite any and all other educational and research projects of a similar nature having to do with the advancement of the auctioneer profession in North Carolina; and~~

~~d. To cooperate with associations of auctioneers and any and all other groups for the enlightenment and advancement of the auctioneer profession of North Carolina.~~

(a) In addition to license fees, upon application for a license or renewal of a license, the Commission may charge the applicant or licensee up to fifty dollars ($50.00) per year to be included in the Fund.

(b) The Commission shall maintain at least one hundred thousand dollars ($100,000) in the Fund for use as provided in this Chapter. The Fund may be invested by the State Treasurer in interest bearing accounts, and any interest accrued shall be added to the Fund. Sufficient liquidity shall be maintained to insure that funds will be available to satisfy claims processed through the Board. The Fund may be disbursed by a warrant drawn against the State Treasurer or by other method at the discretion of the State Treasurer.

(c) The Commission, in its discretion, may use contents of the Fund in excess of one hundred thousand dollars ($100,000) for the following purposes:

(1) To promote education and research in the auctioneer profession, in order to benefit persons licensed under this Chapter and to improve the efficiency of the profession;

(2) To underwrite educational seminars, training centers, and other forms of educational projects for the use and benefit of licensees;

(3) To sponsor, contract for, or underwrite education and research projects in order to advance the auctioneer profession in North Carolina; and

(4) To cooperate with associations of auctioneers, or other groups, in order to promote the enlightenment and advancement of the auctioneer profession in North Carolina."

Sec. 6. G.S. 85B-4.2 reads as rewritten:

"§ *85B-4.2.* ~~*Special provisions.*~~ *Grounds for payment; notice and application to Commission.*

~~(a) In the event that an auctioneer, apprentice auctioneer, or auctioneer business is found guilty of violating any of the provisions of G.S. 85B or the rules promulgated thereunder, and if the amount of money lost by the aggrieved party or parties is in dispute or cannot be determined accurately, then the amount of damages shall be determined by the superior court in the county where the alleged violation took place, provided that the Board has previously determined that a violation of the license laws or rules and regulations has occurred and a final agency decision has been entered.~~

~~(b) If such final agency decision has been entered and the rights of the licensee have been finally adjudicated, then the superior court shall make a finding as to the monetary damages growing out of the aforesaid violation or violations.~~

An aggrieved person who has suffered a monetary loss as a direct result of the conversion of funds or property or other fraudulent act or conduct by a licensed auctioneer, apprentice auctioneer, or auction firm shall be eligible to seek compensation from the Fund subject to the limitations of this Chapter and the amount of loss which is otherwise unrecoverable provided that:

(1) The aggrieved person has sued the licensee in a court of competent jurisdiction and has filed with the Commission written notice of such lawsuit within 60 days after its commencement unless the total loss claimed excluding attorneys' fees is less than two thousand five hundred dollars ($2,500), in which case the notice may be filed within 90 days after the termination of all judicial proceedings, including appeals;

(2) The aggrieved person has obtained final judgment in a court of competent jurisdiction against the licensee based upon conversion or other fraudulent conduct arising out of a transaction which occurred when the licensee was licensed by the Commission and was acting in a capacity for which a North Carolina license is required, which judgment shall show the amount owed the aggrieved person;

(3) The aggrieved person was not engaged in any act or conduct for which an auctioneer license is required and was not

acting in violation of any of the laws of the State of North Carolina or of the United States; and

(4) Execution on the judgment has been issued and has been returned unsatisfied in whole or in part.

Upon the termination of all judicial proceedings including appeals, and for a period of one year thereafter, a person eligible for recovery may file a verified application with the Commission for payment out of the Fund of the amount remaining unpaid upon the judgment which represents the actual and direct loss sustained by reason of conversion or other fraudulent conduct. A certified copy of the judgment and return of execution shall be attached to the application and filed with the Commission. The applicant shall serve upon the judgment debtor a copy of the application and shall file with the Commission an affidavit or certificate of service, in accordance with the procedures specified by rule by the Commission."

Sec. 7. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.3. Hearing; required showing.*

Upon application by an aggrieved person, the Commission shall conduct a hearing and the aggrieved person shall be required to show that:

(1) The person is not a spouse of the judgment debtor or a person representing such spouse;

(2) The person gave notice of the lawsuit as required by G.S. 85B-4.2;

(3) The person is making application not more than one year after termination of all judicial proceedings, including appeals, in connection with the judgment;

(4) The person has complied with all requirements of this Article;

(5) The person has obtained a judgment as described in G.S. 85B-4.2;

(6) The person has made all reasonable searches and inquiries to ascertain whether the judgment debtor is possessed of real or personal property or other assets subject to be sold or applied in satisfaction of the judgment;

(7) That by a search the person has discovered no real or personal property or other assets subject to be sold or applied, or has discovered certain of them, describing them, but that the amount realized was insufficient to satisfy the judgment, stating the amount realized and the balance remaining due on the judgment after application of the amount realized; and

(8) The person has diligently pursued available remedies including attempted execution on the judgment against all the judgment debtors and the execution has been returned unsatisfied. In addition to that, the person knows of no assets of the judgment debtor and has attempted collection from all other persons who may be liable in the transaction for which payment is sought from the Fund if there are any other persons."

Sec. 8. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.4. Response and defense by Commission and judgment debtor; proof of conversion or other fraudulent act.*

(a) When the Commission proceeds upon an application as set forth in this Article, counsel for the Commission may defend action on behalf of the Fund and shall have recourse to all appropriate means of defense, including the examination of witnesses. The judgment debtor may personally defend the action and shall have recourse to all appropriate means of defense, including the examination of witnesses. Within 30 days after service of the application, counsel for the Commission and the judgment debtor may file responses setting forth answers and defenses. Responses shall be filed with the Commission and copies shall be served upon every party by the filing party. If at any time it appears there are no triable issues of fact and the application for payment from the Fund is without merit, the Commission shall dismiss the application. A motion to dismiss may be supported by affidavit of any person having knowledge of the facts and may be made on the basis that the application or the judgment referred to does not form a basis for meritorious recovery under G.S. 85B-4.2, that the applicant has not complied with the provisions of this Article, or that the liability of the Fund with regard to the particular licensee or transaction has been exhausted; provided, however, notice of such motion shall be given at least 10 days prior to the time fixed for hearing.

(b) Whenever the judgment obtained by an applicant is by default, stipulation, or consent, or whenever the action against the licensee was defended by a trustee in bankruptcy, the applicant, for purposes of this Article, shall have the burden of proving the cause of action for conversion of funds or property or other fraudulent conduct. Otherwise, the judgment shall create a rebuttable presumption of conversion or other fraudulent conduct."

Sec. 9. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.5. Determination of certain small claims without a prior judicial determination.*

Notwithstanding any other provisions of this Chapter, the Commission may, in its discretion, order that payment be made from the Fund, without requiring a prior judicial determination in any case where:

(1) The total loss claimed by the claimant is two thousand five hundred dollars ($2,500) or less;

(2) The amount of alleged loss is readily ascertainable rather than speculative in nature;

(3) The alleged loss is one that is otherwise compensable under this Chapter;

(4) The claimant filed a properly notarized complaint with the Commission not more than one year following the date of the alleged wrongful act or conduct of the licensee; and

(5) The Commission, in its discretion, determines that, based upon the evidence presented, justice would be better served by allowing compensation to be paid without first requiring the aggrieved party to obtain a judgment from a court of competent jurisdiction."

Sec. 10. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.6. Order directing payment out of Fund; compromise of claims.*

(a) Applications for payment from the Fund shall be heard and decided by a majority of the members of the Commission. If, after a hearing, the Commission finds that the claim should be paid from the Fund, the Commission shall enter an order requiring payment from the Fund of whatever sum the Commission shall find to be payable upon the claim in accordance with the limitations contained in this Article.

(b) Subject to Commission approval, a claim based upon the application of an aggrieved person may be compromised; however, the Commission shall not be bound in any way by any compromise or stipulation of the judgment debtor."

Sec. 11. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.7. Limitations; pro rata distribution; attorneys' fees.*

(a) Payments from the Fund shall be subject to the following limitations:

(1) The right to recovery under this Article shall be forever barred unless timely notice is given as required by G.S. 85B-4.2(a)(1) and application is made within one year after termination of all proceedings, including appeals, in connection with the judgment.

(2) The Fund shall not be liable for more than ten thousand dollars ($10,000) per transaction regardless of the number of persons aggrieved.

(3) The liability of the Fund shall not exceed in the aggregate ten thousand dollars ($10,000) for any one licensee within a single calendar year, and in no event shall it exceed in the aggregate twenty thousand dollars ($20,000) for any one licensee.

(4) The Fund shall not be liable for payment of any judgment awards of consequential damages, multiple or punitive damages, civil penalties, incidental damages, special damages, interest, costs of court or action, or other similar awards.

(b) If the maximum of the Fund is insufficient to pay in full the valid claims of all aggrieved persons whose claims relate to the same transaction or to the same licensee, the amount for which the Fund is liable shall be distributed among the claimants in a ratio that their respective claims bear to the total of such valid claims or in a manner the Commission deems equitable. Upon petition of the Commission, the Commission may require all claimants and prospective claimants to be joined in one proceeding so that the respective rights of all claimants to the Fund may be equitably resolved."

Sec. 12. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.8. Repayment to Fund; automatic suspension of license.*

Should the Commission pay from the Fund any amount in settlement of a claim or toward satisfaction of a judgment against a licensee, the license of the licensee shall be automatically suspended upon the effective date of the order authorizing payment from the Fund. The licensee shall not be eligible for consideration for reinstatement until repayment in full, plus interest at the legal rate as provided for in G.S. 24-1, the amount paid from the Fund."

Sec. 13. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.9. Subrogation of rights.*

When the Commission has paid from the Fund any sum to the judgment creditor, the Commission shall be subrogated to all of the rights of the judgment creditor to the extent of the amount paid and the judgment creditor shall assign all his right, title, and interest in the judgment to the extent of the amount paid to the Commission and any amount and interest recovered by the Commission on the judgment shall be deposited in the Fund."

Sec. 14. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.10. Waiver of rights.*

The failure of an aggrieved person to comply with this Chapter shall constitute a waiver of any rights hereunder."

Sec. 15. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.11. Persons ineligible to recover from Fund.*

No licensee who suffers the loss of any commission from any transaction in which the licensee was acting in the capacity of an auctioneer, apprentice auctioneer, or auction firm shall be entitled to make application for payment from the Fund for the loss. Likewise, any person who suffers any monetary loss as a result of a joint business venture of any sort with a licensee shall not be entitled to be compensated from the Fund for the loss."

Sec. 16. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-4.12. Disciplinary action against licensee.*

Nothing contained in this Article shall limit the authority of the Commission to take disciplinary action against any licensee under this Chapter, nor shall the repayment in full of all obligations to the Fund by any licensee nullify or modify the effect of any other disciplinary proceeding brought under this Chapter."

Sec. 17. G.S. 85B-5 reads as rewritten:

"*§ 85B-5. Licensing of nonresidents.*

(a) Any person who holds a valid auctioneer license in another state may apply for and be granted a reciprocal North Carolina license if the resident state in which ~~he~~ the person is licensed has minimum training or experience standards which are acceptable to the Commission but are not more lenient than those required by this ~~Chapter.~~ Chapter, if the resident state extends similar reciprocal privileges to auctioneers who are residents of and licensed by the State of North Carolina.

(b) An applicant under this section shall submit an application and other documentation and proof of eligibility for licensure as may be required by the Commission, but shall not be required to take the examination required under ~~G.S. 85B-4 but~~ G.S. 85B-4. Applicants shall pay the appropriate fee under G.S. 85B-6 and shall file with the Commission an irrevocable consent that service on the ~~secretary~~ Executive Director of the Commission shall be sufficient service of process for actions against the applicant by a resident of this State arising out of his auctioneering activities.

(c) An applicant under this section shall make the contribution to the ~~Auctioneer Recovery~~ Fund as required by G.S. 85B-4.1. Any license issued under this section shall be marked to indicate that its holder is a ~~nonresident.~~ nonresident reciprocal licensee.

(d) A license issued pursuant to this section shall be valid from the date of issuance to the following June 30 and may be renewed from year to year unless suspended or revoked pursuant to the provisions of this Chapter or rule of the Commission, provided that the licensee continues to be a resident of and duly licensed in good standing in the licensee's resident state.

(e) Any person licensed under this section shall notify the Commission of the lapse, surrender, suspension, revocation, or any other act amounting to a loss of license in the person's resident state. The notice must be sent to the Commission, by certified mail, return receipt requested, within 10 days of the occurrence.

(f) Any person licensed under this section shall provide the Commission with written notice of any change of business address or residence within 10 days of the occurrence.

(g) Any license issued under this section shall be immediately suspended or revoked based upon the occurrence of any of the events set out in subsection (e) of this section or based upon a change of principal state residence of the reciprocal licensee.

(h) Any person whose license is terminated as a result of a change of principal state residence may reapply for reciprocal status provided the person is otherwise eligible for a license based upon the new state residence, and submits with the application the fees required by the Commission.

(i) Notwithstanding any other provision of this section, a reciprocal licensee who subsequently becomes a domiciliary of the State of North Carolina may request, by application, that the reciprocal license be converted to that of an in-State licensee without having to take the State exam required by G.S. 85B-4. The Commission may, however, require an applicant to pay processing and application fees it deems appropriate."

Sec. 18. G.S. 85B-6 reads as rewritten:

"*§ 85B-6. Fees; local governments not to charge fees or require licenses.*

(a) The Commission shall collect and remit to the State Treasurer fees in an amount not to exceed the following: fifty dollars ($50.00) for application for apprentice auctioneer license; twenty-five dollars ($25.00) for apprentice auctioneer license for one year; twenty-five dollars ($25.00) for application for auctioneer license and for examination; one hundred dollars ($100.00) for auctioneer license for one year; seventy-five dollars ($75.00) for designation as licensed auctioneer business.

(b) No local government or agency of local government may charge any fees or require any licenses for auctioneers, apprentice

auctioneers, or auctioneer businesses in addition to those set out in this Chapter."

Sec. 19. G.S. 85B-7 reads as rewritten:

"*§ 85B-7. Conduct of ~~auction.~~ auction; records.*

(a) No ~~person~~ licensee shall conduct an auction in this State without first having a written agreement with the owner of any property to be sold. The agreement must contain the terms and conditions upon which the auctioneer received the goods for sale. The ~~auctioneer~~ licensee shall provide the owner with ~~one~~ a signed copy of the agreement and shall keep at least one copy for his own records for two years from the date of the agreement. ~~A written agreement shall not be required for a sale at auction if the sale is made at an auction house or similar place where members of the public are generally offered the opportunity to present goods for sale, there has been no prior negotiation between the owner and the auctioneer, and the goods are not sold for more than five hundred dollars ($500.00).~~ Copies of all contracts shall be made available to the Commission or its designated agent upon request.

(b) Each ~~auctioneer~~ licensee shall maintain ~~a record book~~ accounting records and enter in ~~it,~~ them, upon receipt of goods for auction and before their sale, the name and address of the person who employed ~~him~~ the licensee to sell the goods at auction and the name and address of the owner of the goods to be sold. ~~It shall not be necessary to enter in the record book any record of sales made at an auction house or similar place where members of the public are generally offered the opportunity to present goods for sale, there has been no prior negotiation between the owner and the auctioneer, and the goods are not sold for more than five hundred dollars ($500.00).~~ The ~~record book~~ accounting records shall be open for inspection by the Commission or its designated agent at reasonable times.

(c) ~~Each auctioneer~~ All licensees shall have ~~his license~~ their licenses available at each auction ~~he conducts.~~ they conduct.

(d) Each licensee shall maintain records which identify the purchaser of all goods sold by name, address, and when possible, telephone number. The sales records shall contain an adequate description of the items sold and must be sufficient to positively identify the owner of the property. Sales records shall be maintained for a period of not less than two years from the date of sale. Sales records shall be open for inspection by the Commission or its designated agent at reasonable times."

Sec. 20. Chapter 85B of the General Statutes is amended by adding a new section to read:

"*§ 85B-7.1. Handling clients' funds.*

(a) Each licensee shall maintain a trust or escrow account and shall deposit in the account all funds received for the benefit of another person. The funds shall be deposited with an insured bank or savings and loan association located in North Carolina.

(b) Each licensee shall maintain, for not less than five years, complete records showing the deposit, maintenance, and withdrawal of trust or escrow funds. The Commission or its designated agent may inspect these records periodically, without prior notice and may also inspect these records whenever the Commission determines that they are pertinent to an investigation of any specific complaint against a licensee."

Sec. 21. Chapter 85B-8 reads as rewritten:

"*§ 85B-8. Prohibited acts; denial, ~~suspension~~ suspension, or revocation of license.*

(a) The following shall be grounds for denial, ~~suspension~~ suspension, or revocation of an ~~auctioneer or apprentice auctioneer license:~~ auctioneer, auctioneer apprentice, or auction firm license:

(1) Any violation of this Chapter or any violation of a rule or regulation duly adopted by the Commission;

(2) A continued and flagrant course of misrepresentation or making false promises, either by the ~~auctioneer~~ licensee, an employee of the licensee, or by someone acting ~~in his~~ on behalf of and with ~~his~~ the licensee's consent;

(3) Any failure to account for or to pay over within a reasonable time, not to exceed 30 days, ~~money~~ funds belonging to another which ~~has~~ have come into the ~~auctioneer's~~ licensee's possession through an auction sale;

(4) Any false, ~~misleading~~ misleading, or untruthful advertising;

(5) Any act of conduct in connection with a sales transaction which demonstrates bad faith or dishonesty;

(6) Knowingly using false bidders, cappers or pullers, or knowingly making a material false statement ~~for license;~~ or representation;

(7) Commingling the ~~money~~ funds or property of a client with ~~his~~ the licensee's own or failing to maintain and deposit in a trust or escrow account in an insured bank or savings and loan association located in North Carolina ~~money~~ funds received for another person through sale at ~~auction.~~ auction;

(8) Failure to make the required contribution to the ~~Auctioneer Recovery Fund.~~ Fund;

(9) The commission or conviction of a crime that is punishable as a felony offense under the laws of North Carolina or the laws of the jurisdiction where committed or convicted, or

the commission of any act involving fraud or moral turpitude;

(10) Failure to properly make any disclosures or to provide documents or information required by this Chapter or by the Commission;

(11) A demonstrated lack of financial responsibility.

(b) to (d) Repealed by Session Laws 1973, c. 1195, s. 5.

(e) The Commission may upon its own motion or upon the complaint in writing of any person, provided the complaint and any evidence presented with it establishes a **prima facie** case, hold a hearing and investigate the actions of any ~~auctioneer or apprentice auctioneer~~ auctioneer, apprentice auctioneer, or auction firm, or any person who holds himself or herself out as an auctioneer or apprentice auctioneer, and shall have the power to suspend or revoke any license issued under the provisions of this ~~Chapter.~~ Chapter, or to reprimand or censure any licensee. In all proceedings for the denial, ~~suspension~~ suspension, or revocation of licenses, the provisions of Chapter 150B of the General Statutes including provisions relating to summary suspension shall be applicable. Any person who desires to appeal the denial of an application for any license authorized to be issued under this Chapter shall file a written appeal with the Commission not later than 30 days following notice of denial.

(f) A person whose license has been denied, suspended, or revoked may not apply in that person's name or in any other manner within the period during which the order of denial, suspension, or revocation is in effect, and no firm, partnership, or corporation in which any person has a substantial interest or exercises management responsibility or control may be licensed during the period."

Sec. 22. G.S. 85B-9(b) reads as rewritten:

"(b) The Commission may in its own name seek injunctive relief in the General Court of Justice to restrain any violation or anticipated violation of the provisions of ~~G.S. 85B-4(a).~~ G.S. 85B-4(a) or any violation of this Chapter."

Sec. 23. G.S. 20-286(11) reads as rewritten:

"(11) Motor vehicle dealer or dealer. -- A person who does any of the following:

a. For commission, money, or other thing of value, buys, sells, or exchanges, whether outright or on conditional sale, bailment lease, chattel mortgage, or otherwise, five or more motor vehicles within any 12 consecutive months, regardless of who owns the motor vehicles.

b. On behalf of another and for commission, money, or other thing of value, arranges, offers, attempts to

solicit, or attempts to negotiate the sale, purchase, or exchange of an interest in five or more motor vehicles within any 12 consecutive months, regardless of who owns the motor vehicles.

c. Engages, wholly or in part, in the business of selling new motor vehicles or new or used motor vehicles, or used motor vehicles only, whether or not the motor vehicles are owned by that person, and sells five or more motor vehicles within any 12 consecutive months.

d. Offers to sell, displays, or permits the display for sale for any form of compensation five or more motor vehicles within any 12 consecutive months.

e. Primarily engages in the leasing or renting of motor vehicles to others and sells or offers to sell those vehicles at retail.

The term 'motor vehicle dealer' or 'dealer' does not include any of the following:

a. Receivers, trustees, administrators, executors, guardians, or other persons appointed by or acting under the judgment or order of any court.

b. Public officers while performing their official duties.

c. Persons disposing of motor vehicles acquired for their own use or the use of a family member, and actually so used, when the vehicles have been acquired and used in good faith and not for the purpose of avoiding the provisions of this Article.

d. Persons who sell motor vehicles as an incident to their principal business but who are not engaged primarily in the selling of motor vehicles. This category includes financial institutions who sell repossessed motor vehicles and insurance companies who sell motor vehicles to which they have taken title as an incident of payments made under policies of insurance, and auctioneers who sell motor vehicles for the owners or the heirs of the owners of those vehicles as part of an auction of other personal or real property or for the purpose of settling an estate or closing a business or who sell motor vehicles on behalf of a governmental entity, and who do not maintain a used car lot or building with one or more employed motor vehicle sales representatives.

e. Persons manufacturing, distributing or selling trailers and semitrailers weighing not more than 750 pounds and carrying not more than a 1,500 pound load.
f. A licensed real estate broker or salesman who sells a mobile home for the owner as an incident to the sale of land upon which the mobile home is located.
g. An employee of an organization arranging for the purchase or lease by the organization of vehicles for use in the organization's business.
h. Any publication, broadcast, or other communications media when engaged in the business of advertising, but not otherwise arranging for the sale of motor vehicles owned by others.
i. Any person dealing solely in the sale or lease of vehicles designed exclusively for off-road use.
j. Any real property owner who leases any interest in property for use by a dealer.
k. Any person acquiring any interest in a motor vehicle for a family member."

Sec. 24. This act becomes effective January 1, 1993.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 1367 **CHAPTER 820**

AN ACT TO AUTHORIZE THE TOWN OF YAUPON BEACH TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Yaupon Beach Occupancy Tax. (a) Authorization and Scope. The Board of Commissioners of the Town of Yaupon Beach may by resolution, after not less than 10 days' public notice and a public hearing held pursuant thereto, levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of accommodations within the town that are subject to sales tax imposed by the State under G.S. 105-164.4(a)(3) and from the rental of private residences and cottages within the town that are exempt from the sales tax imposed under G.S. 105-164.4(a)(3) solely because they are rented for less than 15 days.

(b) Collection. Every operator of a business subject to the tax levied by this act shall, on and after the effective date of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and

charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the town. The occupancy tax levied under this act shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the owner of the business. The town shall design, print, and furnish to all appropriate businesses in the town the necessary forms for filing returns and instructions to ensure the full collection of the tax.

(c) Administration. The town shall administer the occupancy tax levied under this act. A tax levied under this act is due and payable to the town tax collector in monthly installments on or before the fifteenth day of the month following the month in which the tax accrues. Every person, firm, or corporation liable for the tax shall, on or before the fifteenth day of each month, prepare and render a return on a form prescribed by the town. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

A return filed with the town tax collector under this act is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this act shall pay a penalty of ten dollars ($10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional penalty of five percent (5%) for each additional month or fraction thereof until the tax is paid. The board of commissioners may, for good cause shown, compromise or forgive the additional tax penalties imposed by this subsection.

Any person who willfully attempts in any manner to evade a tax imposed under this act or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars ($1,000), imprisonment not to exceed six months, or both.

(e) Use of Proceeds. The town may use the proceeds of a tax levied under this act only for tourism-related expenditures. As used in this act, the term "tourism-related expenditures" includes the following types of expenditures: criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of waterfront erosion. These funds may not be used for services normally provided

by the town on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the town to attract and provide for tourists.

(f) Effective Date of Levy. A tax levied under this act shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. The Board of Commissioners of the Town of Yaupon Beach may by resolution repeal a tax levied under this act. Repeal of a tax levied under this act shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this act does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 1378 **CHAPTER 821**

AN ACT TO AUTHORIZE WASHINGTON COUNTY TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Washington County Board of Commissioners may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of three percent (3%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by:

(1) Nonprofit charitable, educational, or religious organizations.

(2) A business that offers to rent fewer than five units.

(3) Summer camps.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be

stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the county. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The county shall design, print, and furnish to all appropriate businesses and persons in the county the necessary forms for filing returns and instructions to ensure the full collection of the tax.

(c) Administration. The county shall administer a tax levied under this section. A tax levied under this section is due and payable to the county finance officer in monthly installments on or before the fifteenth day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the fifteenth day of each month, prepare and render a return on a form prescribed by the county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

A return filed with the county finance officer under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars ($10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid. The board of commissioners may, for good cause shown, compromise or forgive the civil penalties imposed by this subsection.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars ($1,000), imprisonment not to exceed six months, or both.

(e) Distribution and use of tax revenue. Washington County shall deposit the proceeds of the tax in its general fund. The proceeds may be used only to further the development of travel, tourism, and conventions in the county.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and

may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by the Washington County Board of Commissioners. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 1382 **CHAPTER 822**

AN ACT TO ALLOW THE TOWN OF HILLSBOROUGH TO RAISE THE TAX ON MOTOR VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-97(a) reads as rewritten:

"(a) All taxes levied under the provisions of this Article are intended as compensatory taxes for the use and privileges of the public highways of this State, and shall be paid by the Commissioner to the State Treasurer, to be credited by him to the State Highway Fund; and no county or municipality shall levy any license or privilege tax upon any motor vehicle licensed by the State of North Carolina, except that cities and towns other than the City of Durham may levy not more than ~~five~~ ten dollars ~~($5.00)~~ ($10.00) per year upon any vehicle resident therein, and except that the City of Durham may levy not more than one dollar ($1.00) per year upon any vehicle resident therein. Provided, further, that cities and towns may levy, in addition to the amounts hereinabove provided for, a sum not to exceed fifteen dollars ($15.00) per year upon each vehicle operated in such city or town as a taxicab."

Sec. 2. This act applies to the Town of Hillsborough only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 1440 **CHAPTER 823**

AN ACT TO PROVIDE THAT FUTURE ELECTIONS FOR THE OFFICE OF MAYOR OF BURGAW SHALL BE FOR FOUR-YEAR TERMS.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 98, Session Laws of 1961, is rewritten to read:

"Sec. 2. At the regular election in November, 1993, and quadrennially thereafter, the mayor shall be elected for a term of four years and until his successor is elected and qualifies."

Sec. 2. This act does not affect the current term of office of the Mayor of the Town of Burgaw.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 1466 **CHAPTER 824**

AN ACT TO AUTHORIZE HYDE COUNTY TO ASSESS BENEFITED PROPERTY IN ADVANCE OF IMPROVEMENTS TO SUBDIVISION AND RESIDENTIAL STREETS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-205 is amended by adding a new subsection to read:

"(b1) A county may finance the local share of the cost of improvements made under the supervision of the Department of Transportation to subdivision and residential streets located in the county and outside of a city by special assessment against benefited property in advance of the proposed improvements for a period not exceeding five years. The county may make advance assessments against benefited property for proposed improvements in lieu of obligating general funds in order to provide the portion of costs financed by the county. The county may estimate in advance the cost of the proposed improvements, then levy and collect in advance the cost of the proposed improvements to the benefited property pursuant to the procedures of Article 9 of Chapter 153A of the General Statutes. The county shall refund pro rata to the owner of benefited property the balance of an assessment remaining after full payment of the actual cost of the proposed improvements. If the actual cost of the improvements exceeds the amount estimated by the county, the county shall not levy a supplemental assessment against the benefited

property. The local share is that share required by policies of the Secondary Roads Council, and may be paid by the county from funds not otherwise limited as to use by law. Land owned, leased, or controlled by a railroad company is exempt from such assessments to the same extent that it would be exempt from street assessments of a city under G.S. 160A-222. No project may be commenced under this subsection unless it has been approved by the Department of Transportation."

Sec. 2. This act applies to Hyde County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 1467 **CHAPTER 825**

AN ACT TO ALLOW THE TOWN OF CASWELL BEACH TO MAKE SPECIAL ASSESSMENTS FOR UNDERGROUNDING OF UTILITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-216 is amended by adding a new subdivision to read:

"(1d) The placement of utility lines underground."

Sec. 2. This act applies only to the Town of Caswell Beach.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

H.B. 1593 **CHAPTER 826**

AN ACT TO CLARIFY THE AUTHORITY OF THE COMMISSION FOR HEALTH SERVICES TO ADOPT RULES LIMITING THE NUMBER OF SERVICE CONNECTIONS TO A PUBLIC WATER SYSTEM BASED ON THE QUANTITY OF WATER AVAILABLE TO THE SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-315(b1) reads as rewritten:

"(b1) The rules may ~~also, in conformity with the purpose of this Article as stated in G.S. 130A-312, provide~~ also establish criteria and procedures to insure an adequate supply of drinking ~~water, in the following areas:~~ water. The rules may:

(1) ~~Record-keeping and reporting;~~ Provide for record keeping and reporting.

(2) ~~Inspection~~ Provide for inspection of public water systems and required ~~records;~~ records.

(3) ~~Criteria for design~~ Establish criteria for the design and construction of new ~~or modified~~ public water ~~systems;~~ systems and for the modification of existing public water systems.

(4) ~~Review~~ Establish procedures for review and approval of the design and construction of new ~~or modified~~ public water ~~systems;~~ systems and for the modification of existing public water systems.

(4a) Limit the number of service connections to a public water system based on the quantity of water available to the public water system, provided that the number of service connections shall not be limited for a public water system operating in accordance with a local water supply plan that meets the requirements of G.S. 143-355(l).

(5) ~~Siting of~~ Establish criteria and procedures for siting new public water ~~systems;~~ systems.

(6) ~~Variances~~ Provide for variances and exemptions from ~~these rules; and~~ the rules.

(7) ~~Notice of non-compliance.~~ Provide for notice of noncompliance in accordance with G.S. 130A-324."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.B. 1040 **CHAPTER 827**

AN ACT TO MODIFY THE MAXIMUM TAX LIMIT FOR THE TOWN OF BADIN AND CHANGE THE METHOD OF CALCULATING LIMITS ON INCREASES.

The General Assembly of North Carolina enacts:

Section 1. Section 5.3 of the Charter of the Town of Badin, being Chapter 894, Session Laws of 1989, reads as rewritten:

"Sec. 5.3. ~~In adopting its initial property tax rate, the Town council shall not exceed a rate of $.21 per $100 valuation.~~ The Town Council may set an ad valorem tax rate in excess of $.25 per $100 valuation only if the rate meets both of the following conditions:

(1) The percentage increase in the rate from the previous year's rate does not exceed the percentage increase in the Implicit GNP Price Deflator over the preceding year.

(2) The increase in the rate does not exceed ten percent (10%) of the rate that applied in the next preceding year.

~~Thereafter the rate shall not be increased except biannually and only in the amount which does not exceed (1) the annual cumulative increase in the Implicit GNP Price Deflator over the preceding two years or (2) ten per cent of the rate for the next preceding year, whichever is less.~~"

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.B. 1127 **CHAPTER 828**

AN ACT TO EXTEND THE EXEMPTION OF UNION COUNTY AND TO EXEMPT BURKE COUNTY FROM CERTAIN STATUTORY REQUIREMENTS IN THE CONSTRUCTION OF COUNTY DETENTION FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 393 of the 1991 Session Laws reads as rewritten:

"Sec. 3. This act is effective upon ratification and expires July 1, ~~1992.~~ 1994."

Sec. 2. The County of Burke may contract for the design and construction of a county detention facility to relieve overcrowding at its current facility without being subject to the requirements of G.S. 143-128, 143-129, 143-131, and 143-132.

Sec. 3. This act applies only to Union and Burke Counties.

Sec. 4. This act is effective upon ratification and expires July 1, 1994.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.B. 997 **CHAPTER 829**

AN ACT TO MAKE OMNIBUS AND TECHNICAL CHANGES TO THE SAVINGS INSTITUTIONS LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 54B-4 is amended by adding a new subdivision to read:

"(16a) 'Control' means the power, directly or indirectly, to direct the management or policies of an association or to vote twenty-five percent (25%) or more of any class of voting securities for an association."

Sec. 2. G.S. 54B-25 reads as rewritten:

"*§ 54B-25. Branch offices closed.*

The board of a State association may discontinue the operation of a branch office upon giving at least ~~30~~ 90 days' prior written notice to the Administrator and depositors, the notice to include the date upon which the branch office shall be closed."

Sec. 3. G.S. 54B-33(c) reads as rewritten:

"(c) The association shall submit a plan of conversion as a part of the application to the Administrator, and he may approve it with or without amendment, if it appears that:

(1) After conversion the association will be in sound financial condition and will be soundly managed;

(2) The conversion will not impair the capital of the association nor adversely affect the association's operations;

(3) The conversion will be fair and equitable to the members of the association and no person whether member, employee or otherwise, will receive any inequitable gain or advantage by reason of the conversion;

(4) The savings and loan services provided to the public by the association will not be adversely affected by the conversion;

(5) The substance of the plan has been approved by a vote of two thirds of the board of directors of the association;

(6) All shares of stock issued in connection with the conversion are offered first to the members of the ~~association;~~ association; except that any one or more tax qualified stock benefit plan may first purchase in the aggregate not more than ten percent (10%) of the total offering of shares;

(7) All stock shall be offered to members of the association and others in prescribed amounts and otherwise pursuant to a formula and procedure which is fair and equitable and will be fairly disclosed to all interested persons;

(8) The plan provides a statement as to whether stockholders shall have preemptive rights to acquire additional or treasury shares of the association and any provision limiting or denying said rights; and

(9) The conversion shall not be complete until all stock offered in connection with the conversion has been subscribed.

If ~~he~~ the Administrator approves the plan, then the plan shall be submitted to the members as provided in ~~the next subsection,~~ subsection (d) of this section. If ~~he~~ the Administrator refuses to approve the plan, ~~he~~ the Administrator shall state ~~his~~ the objections in writing and give the converting association an opportunity to amend the plan to obviate ~~such~~ the objections or to appeal ~~his~~ the Administrator's decision to the ~~commission.~~ Commission."

Sec. 4. G.S. 54C-4(a) reads as rewritten:

"(a) ~~The~~ Except with respect to this Chapter and Chapter 54B, the term 'savings and loan association' when used in the General Statutes shall include savings banks chartered under this Chapter."

Sec. 5. G.S. 54C-9(b) reads as rewritten:

"(b) The Administrator shall receive the application to organize a State savings bank not less ~~then [than]~~ than 60 days before the scheduled consideration of the application by the Commission. The application shall contain the following:

(1) The original of the certificate of incorporation, which shall be signed by the original incorporators, or a majority of them, and shall be properly acknowledged by a person duly authorized by this State to take proof or acknowledgment of deeds; and two conformed copies;
(2) The names and addresses of the incorporators; and the names and addresses of the initial members of the board of directors;
(3) Statements of the anticipated receipts, expenditures, earnings, and financial condition of the savings bank for its first three years of operation, or any longer period as the Administrator may require;
(4) A showing satisfactory to the Commission that:
    a. The public convenience and advantage will be served by the establishment of the proposed savings bank;
    b. There is a reasonable demand and necessity in the community that will be served by the establishment of the proposed savings bank;
    c. The proposed savings bank will have a reasonable probability of sustaining profitable and beneficial operations within a reasonable time in the community in which the proposed savings bank intends to locate;
    d. The proposed savings bank, if established, will promote healthy and effective competition in the community in the delivery to the public of savings institution services;
(5) The proposed bylaws; and
(6) Statements, exhibits, maps, and other data that may be prescribed or requested by the Administrator, which data shall be sufficiently detailed and comprehensive so as to enable the Administrator to pass upon the criteria set forth in this Article."

Sec. 6. G.S. 54C-26 reads as rewritten:

"*§ 54C-26. Branch offices closed.*

The Board of a State savings bank may discontinue the operation of a branch office upon giving at least ~~30~~ 90 days prior written notice to

the Administrator and depositors, the notice to include the date upon which the branch office shall be closed."

Sec. 7. G.S. 54C-30(c) reads as rewritten:

"(c) After lawful notice to the members or stockholders of the converting depository institution and full and fair disclosure, the substance of the plan shall be approved by a majority of the ~~total~~ votes ~~that members or stockholders of the institution are eligible and entitled to cast. The vote by the members or stockholders may be in person or by proxy.~~ or shares present, in person or by proxy. Following the vote of the members or stockholders, the results of the vote certified by an appropriate officer of the converting depository institution shall be filed with the Administrator. The Administrator shall then either approve or disapprove the requested conversion to a State savings bank. After approval of the conversion, the Administrator shall supervise and monitor the conversion process and shall ensure that the conversion is conducted lawfully and under the approved plan of conversion."

Sec. 8. G.S. 54C-33(c) reads as rewritten:

"(c) The savings bank shall submit a plan of conversion as a part of the application to the Administrator. The Administrator may approve it with or without amendment, if it appears that:

(1) After conversion the savings bank will be in sound financial condition and will be soundly managed;

(2) The conversion will not impair the capital of the savings bank nor adversely affect the savings bank's operations;

(3) The conversion will be fair and equitable to the members of the savings bank and no person whether member, employee, or otherwise, will receive any inequitable gain or advantage by reason of the conversion;

(4) The savings bank services provided to the public by the savings bank will not be adversely affected by the conversion;

(5) The substance of the plan has been approved by a vote of two-thirds of the board of directors of the savings bank;

(6) All shares of stock issued in connection with the conversion are offered first to the members of the savings ~~bank;~~ bank; except that any one or more tax qualified employee stock benefit plans may first purchase in the aggregate not more than ten percent (10%) of the total offering of shares;

(7) All stock shall be offered to members of the savings bank and others in prescribed amounts and otherwise under a formula and procedure that is fair and equitable and will be fairly disclosed to all interested persons; and

(8) The plan provides a statement as to whether stockholders shall have preemptive rights to acquire additional or treasury shares of the savings bank.

If the Administrator approves the plan, then the plan shall be submitted to the members as provided in subsection (d) of this section. If the Administrator refuses to approve the plan, the Administrator shall state the objections in writing and give the converting savings bank an opportunity to amend the plan to obviate the objections or to appeal the Administrator's decision to the Commission."

Sec. 9. G.S. 54C-63 reads as rewritten:

"*§ 54C-63. Statement examined, approved, and published.*

It is the duty of the Administrator to receive and thoroughly examine each annual statement required by ~~G.S. 54C-73,~~ G.S. 54C-62, and if made in compliance with the requirements thereof, each State savings bank shall publish an abstract of the same in one of the newspapers of the State, to be selected by the managing officer making the statement, and at the expense of the savings bank."

Sec. 10. G.S. 54C-78(a) reads as rewritten:

"(a) A person, whether a director, officer, or employee, who is found to have violated this Article, whether willfully or as a result of gross negligence, gross incompetency, or recklessness, may be ordered to pay a civil penalty of up to five thousand dollars ($5,000) per violation. A person who is found to have violated or failed to comply with any cease and desist order issued under the authority of this Article, may be ordered to pay a civil penalty of up to five thousand dollars ($5,000) per violation for each day that the violation ~~of [or]~~ or failure to comply continues. All civil penalties, plus interest and cost, that are collected under this subsection shall be deposited into the General Fund of the State treasury."

Sec. 11. G.S. 54C-170(a) reads as rewritten:

"(a) A savings bank may issue a deposit account to a minor as the sole and absolute ~~owner~~ owner, or as a joint owner, and receive payments, pay withdrawals, accept pledges and ~~act, or as a joint owner,~~ act in any other manner with respect to the account on the order of the minor with like effect as if the minor were of full age and legal capacity. Any payment to a minor is a discharge of the savings bank to the extent thereof. The account shall be held for the exclusive right and benefit of the minor, and any joint owners, free from the control of all persons, except creditors."

Sec. 12. Article 8 of Chapter 54C of the General Statutes is amended by adding a new section to read:

"*§ 54C-179. Forced retirement of deposit accounts.*

(a) A savings bank may, at any time that funds are on hand and available for this purpose, force the retirement of and redeem all or

any portion of its deposit accounts that have not been pledged as security for loans. A savings bank may not redeem any fixed term deposit accounts that have not matured. The board of directors of the savings bank shall determine the number of and total amount of the deposit accounts to be retired.

(b) A savings bank shall give at least 30 days' notice by certified mail to the last address of each holder of an affected deposit account. The redemption price of deposit accounts so retired is the full withdrawal value of the account, as determined on the last interest date, plus all interest on deposit accounts credited or paid as of the effective retirement date. Interest continues to accrue and be paid or credited by the savings bank to the deposit accounts to be retired through the effective retirement date.

(c) Interest on the deposit accounts called for forced retirement ceases to accrue after the effective retirement date, if the required notice has been given properly, and if on the retirement date the funds necessary for payment have been set aside so as to be available. All rights with respect to those deposit accounts terminate after the effective retirement date, except for the right of the holder of the retired deposit account to receive the full redemption price.

(d) A savings bank shall not redeem deposit accounts by forced retirement whenever it has on file applications for withdrawal or maturities that have not yet been acted upon and paid."

Sec. 13. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 1048 **CHAPTER 830**

AN ACT TO REWRITE THE LAW REGARDING THE CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 506 of the 1987 Session Laws, as amended by Chapter 1033 of the 1987 Session Laws and Chapter 248 of the 1989 Session Laws, which rewrote Chapter 926 of the 1947 Session Laws, as amended, reads as rewritten:

"Section 1. Chapter 926, 1947 Session Laws, as amended, is rewritten to read:

TITLE I. PREFACE.

Section 1. *Introduction.* The Charlotte Firemen's Retirement System heretofore established pursuant to the provisions of Chapter

926 of the 1947 Session Laws, as amended, is hereby continued and shall hereafter be known as the Charlotte Firefighters' Retirement System. The purpose of the Charlotte Firefighters' Retirement System shall be to provide retirement, disability and survivor benefits for the uniformed employees of the Charlotte Fire Department who are entitled thereto under the provisions of this act. This act shall be officially known and may be referred to as the Charlotte Firefighters' Retirement System Act.

Sec. 2. *Definitions.* The following words and phrases as used in this act shall have the indicated meanings unless a different meaning is clearly required by the context.

(1) 'Accrued Benefit' means the amount of monthly retirement benefits earned by a Member computed, as of any date, on his Final Average Salary and Membership Service Credit as of such date. In no event shall the Accrued Benefit be less than the Accrued Benefit as of June 30, 1986.

(2) 'Actuarial Equivalent' means a benefit payable by the System that is determined by the Actuary to be equal to the basic benefit provided by the System based on the interest rate and the mortality and other tables and assumptions adopted for such purposes by the Board of Trustees. In no event shall any Actuarial Equivalent be less than the corresponding Actuarial Equivalent as of June 30, 1987, based on the Accrued Benefit and the assumptions in effect on that date.

(3) 'Actuarial Valuation' or 'Valuation' means a determination of the normal costs, actuarial accrued liability, actuarial value of assets and related actuarial present values of the System performed by an Actuary which are based on the characteristics of the System. Such characteristics include, but are not limited to, age, service, salaries, and rate of turnover by death, disability, termination or retirement.

(3a) 'Adjustment Factor' means the cost of living adjustment factor prescribed by the Secretary of the Treasury under section 415(d) of the Code for years beginning after December 31, 1987, applied to those items and in the manner the Secretary prescribes.

(4) 'Armed Forces' means the Armed Forces of the United States of America.

(5) 'Audit' means an examination of the accounting records of the System performed by a certified public accountant or certified public accounting firm. Such examination is to

determine if said records are properly maintained and to make recommendations and suggestions for better record-keeping and management.

(6) 'Beneficiary', 'Designated Beneficiary', or 'Surviving Beneficiary' means any person, or persons, who is in receipt of, or who is designated in writing to receive, a retirement benefit or other benefit as provided in this act.

(7) 'Board of Trustees', 'Board' or 'Trustee' means the Board of Trustees of the Charlotte Firefighters' Retirement System, as specified in Section 29, or any individual ~~member~~ Member thereof.

(8) 'City' means the City of Charlotte.

(8a) 'Code' means the Internal Revenue Code of 1986, as amended.

(9) 'Compensation' means the remuneration earned by a Member for services performed as an employee of the Charlotte Fire Department and for which contributions are made to the System. Compensation shall include compensation received during the applicable period by the Member from the City for services performed as an employee of the Charlotte Fire Department during the taxable year ending with or within the Plan Year that is required to be reported as wages on the Member's Form W-2. Compensation also includes compensation realized during the applicable period that is not currently includable in the Member's gross income by reason of the application of sections 125, 401(k), 402(a)(8), 402 (h)(1)(B), 403(b), or 457 of the Code. For the purpose of calculating a Member's Final Average Salary, any lump sum payments for which contributions were made to the System, such as longevity pay and bonus payments, and received by said Member within two consecutive years of Membership Service shall be apportioned over the previous Membership Service for which the payment(s) was earned.

(10) 'Effective Date' of this amended and restated act means July 1, 1989, unless otherwise specified herein.

(11) 'Final Average Salary' means the monthly average Compensation received by a Member during any two consecutive years of Membership Service which produces the highest average and is contained within the Member's last five years of Membership Service. If a Member has less than two years of Membership Service, his Final Average Salary shall mean the monthly average

Compensation for his total Membership Service. Effective July 1, 1989, if the Member's monthly benefit, as calculated pursuant to Section 17(a) of this act, exceeds one hundred percent (100%) of his Final Average Salary, as defined by this subdivision, then 'Final Average Salary' means the monthly average Compensation received by a Member during any three consecutive years of Membership Service during which the Member was an active Member of the Retirement System and had the greatest aggregate Compensation from the City. If a Member has fewer than three years of Membership Service, his Final Average Salary shall mean the monthly average Compensation for his total Membership Service.

(12) 'He', 'Him', 'His', and any other pronouns and terms shall be used when referring to both male and female Members and/or Beneficiaries of this System, and vice versa.

(13) 'Investment Fiduciary' means any person, or persons, who exercises any discretionary authority or control in the investment of the System's assets and/or renders investment advice for a fee to the System.

(14) 'Majority Vote' means that number of votes which is more than fifty percent (50%) of the System Members casting ballots.

(15) 'Member' means an employee of the Charlotte Fire Department who is subject to the provisions of the Civil Service Act contained in Chapter 333 of the 1969 Session Laws as amended, and, in addition, shall include the chief of the fire department where the chief was subject to the provisions of the Civil Service Act immediately prior to being appointed fire chief, and any probationary employee or officer of the fire department under the Civil Service Act.

(16) 'Membership Service Credit' or 'Membership Service' means the amount of service credited to a Member as provided in this act to determine what, if any, benefits are due him.

(17) 'Participant' means any Member, Retiree, Beneficiary in receipt of benefits or a former Member with a deferred Accrued Benefit.

(17a) 'Qualified Participant' means a Participant who is in a defined benefit plan that is maintained by a State or a political subdivision thereof; and

a. Who has at least 15 years of Membership Service Credit as a full-time employee of any police department or fire department that is organized and operated by the State or a political subdivision, that maintains such a defined benefit plan; or
b. Who is a member of the armed forces of the United States.

(18) 'Retiree' means any person who retires with a retirement benefit payable by the System.

(19) 'Retirement System' or 'System' means the Charlotte Firefighters' Retirement System.

(20) 'Total Contributions' means the sum of the amounts paid by or on behalf of a Member and credited to his individual account by the System.

(21) 'Year,' 'Plan Year,' or 'Limitation Year' means the twelve months from July 1 through June 30.

TITLE II. MEMBERSHIP SERVICE CREDIT.

Sec. 3. *General.* A Member of this Retirement System shall receive Membership Service Credit for all periods of employment with the Charlotte Fire Department for which contributions have been paid to, and not subsequently refunded by, the Charlotte Firefighters' Retirement System. In no case shall more than one year of Membership Service Credit be credited a Member for any 12 calendar month period of time.

Sec. 4. *Periods of Worker's Compensation & Accident and Sickness Benefits.* Membership Service Credit shall be credited to a Member for any periods of workers' compensation and/or accident and sickness benefits for which said Member contributes to the Charlotte Firefighters' Retirement System an amount equal to the Compensation the Member would have earned multiplied by the sum of the then current social security contribution rate and five percent (5%). Such contributions must be made within a 12 calendar month period from and after the date the Member returns to employment with the Charlotte Fire Department and prior to the Member's termination of membership or retirement.

Sec. 5. *Reinstatement of Membership Service Credit Previously Forfeited.* Membership Service Credit shall be credited for previous Membership Service for a Member who is reemployed by the Charlotte Fire Department within five years of the termination date of his previous employment, and provided the Member has not received reimbursement of his Total Contributions pursuant to the provisions of this act. Any Member who is reemployed by the Charlotte Fire

Department before January 1, 1959, shall receive Membership Service Credit for all previous membership employment in said department. Any Member who was reemployed by the Charlotte Fire Department after December 31, 1958, and has previously received reimbursement of his Total Contributions pursuant to the provisions of this act, shall receive no Membership Service Credit for any previous membership employment with the Charlotte Fire Department.

Sec. 6. *Return from Active Military Duty.* Membership Service Credit shall be credited to any Member who entered the Armed Forces of the United States of America during World War I, World War II, the Korean War, any period of national emergency conditions, or entered the Armed Forces at any time through the operation of the compulsory military service law of the United States of America, upon the return to membership employment with the Charlotte Fire Department. Such Membership Service Credit shall include the period of active military service and any period after discharge or release from active duty from the Armed Forces for which his reemployment rights are guaranteed by law unless otherwise specified in this act.

Sec. 7. *Purchase of Membership Service Credit for Prior Active Military Duty.* Membership Service Credit may be purchased for credit upon the completion of ten or more years of Membership Service Credit. Effective July 1, 1988, the purchase of such Membership Service Credit must occur before the completion of 13 years of Membership Service Credit, or by October 7, 1990, whichever is later, prior to termination of membership or retirement, by any Member who served on active duty in the Armed Forces of the United States of America prior to his employment with the Charlotte Fire Department. The amount of Membership Service Credit to be credited to a Member will be equal to the actual active military duty by the Member not to exceed five years and shall be credited upon the payment of the required contributions as determined by the Administrator, provided that the Membership Service to be so credited shall not be credited in any other retirement system, except the national guard or any reserve component of the Armed Forces of the United States. The required contributions shall be an amount equal to the annualized Compensation rate the Member earned when he first entered membership in the Retirement System, multiplied by the sum of the Member and the City of Charlotte contribution rates in effect at the time when he first entered membership in the Retirement System, increased by five percent (5%) compounded per annum from the date of membership to the date of the payment of the required contributions and multiplied by the number of years and days of Membership Service to be credited.

Sec. 8. *Accumulated Sick Leave and Vacation at Retirement.* Membership Service Credit shall be credited to a Member for the balance of any unpaid sick leave and/or unpaid vacation at the time of his retirement, excluding any sick leave and/or vacation that was converted to a qualified deferred compensation program as defined by the City. Such Membership Service Credit shall be determined by the Administrator and shall be proportional based on the normal work schedule of the Member. Such Membership Service Credit cannot be used to meet the minimum qualifications for a disability retirement benefit, vested benefit or early retirement benefit, but may be used to meet the minimum qualifications for a service retirement benefit.

Sec. 9. *Determination by Board of Trustees.* In any case of doubt as to the period of Membership Service Credit to be so credited any Member, the Board of Trustees shall have final power to determine such period.

TITLE III. TERMINATION OF MEMBERSHIP.

Sec. 10. *Members With Less Than Five Years of Membership Service Credit.* (a) If a Member with less than five years of Membership Service Credit with this Retirement System shall cease employment with the Charlotte Fire Department, whether voluntary or involuntary, said former Member shall thereupon cease membership and shall be entitled to reimbursement of the Total Contributions made by or on his behalf to the Retirement System, excluding any contributions made on the former Member's behalf by the City of Charlotte under the provisions of Section 25 of this act without interest. A former Member desiring reimbursement of said contributions must complete and file the form 'Application for Refund of Accumulated Contributions' with the Administrator within five years of the termination date of his employment. Should a former Member fail to complete and file said form with the Administrator within such five years, the former Member shall receive reimbursement of said contributions.

(b) If such a former Member dies within five years after terminating his employment prior to receiving reimbursement of contributions pursuant to subsection (a) of this section, his Designated Beneficiary(s) on file with the Retirement System or his personal representative in the absence of any Designated Beneficiary, may apply for reimbursement of contributions pursuant to subsection (a) of this section and must file such application with the Administrator within five years of the date of death of the former Member or the funds will be paid to the Designated Beneficiary, if living, or otherwise to the former Member's estate.

Sec. 11. *Members With Five or More Years of Membership Service Credit.* (a) Effective July 1, 1986, if a Member with ten or more years of Membership Service Credit with this Retirement System shall cease employment with the Charlotte Fire Department, whether voluntary or involuntary, said Member shall receive his Accrued Benefit and defer such benefit until the Participant reaches age 60 years. Effective July 1, 1989, if a Member with five or more years of Membership Service Credit with this Retirement System ceases employment with the Charlotte Fire Department, whether voluntarily or involuntarily, the Member shall receive his Accrued Benefit and defer this benefit until the Participant reaches 60 years of age. The Accrued Benefit shall be calculated pursuant to the provisions of Sections 15 and 17 of this act in effect on the last day of work by said Participant. If such Participant dies before applying for his deferred benefits and attaining age 60 years, reimbursement of the Participant's contributions may be accomplished in the same manner and in all respects as in Section 10 of this act.

(b) As an alternative to the provisions of subsection (a) of this section, if a Member with five or more years of Membership Service Credit with this Retirement System shall cease employment with the Charlotte Fire Department, whether voluntary or involuntary, said Member shall thereupon cease membership and may elect to receive reimbursement of his contributions in the same manner and in all respects as in Section 10 of this act.

Sec. 12. *Failure to Return From Active Military Duty.* Should any Member of this Retirement System who entered the Armed Forces of the United States of America pursuant to the provisions of Section 6 of this act fail to return to employment with the Charlotte Fire Department within the period for which his reemployment rights are guaranteed by law, said Member shall thereupon cease membership and shall be entitled to a deferred benefit or reimbursement of his contributions in the same manner and in all respects as in Section 10 or 11 of this act, whichever is applicable.

Such former ~~member~~ Member shall not receive Membership Service Credit for the period of active military duty or any period after discharge or release from active duty from the Armed Forces for which his reemployment rights had been guaranteed by law.

Sec. 13. Repealed by Section 7 of Chapter 248 of the 1989 Session Laws.

Sec. 14. *Retirement of Member.* Upon his retirement pursuant to the provisions of this act, a Member shall thereupon cease membership in the Charlotte Firefighters' Retirement System.

TITLE IV. BENEFITS

Sec. 15. *Service Retirement.* A Member may upon written application through the Administrator to the Board of Trustees set forth an effective date of not less than 30 days nor more than 90 days subsequent to the execution and filing thereof that he desires to be retired, provided that he has attained the age and acquired the required Membership Service Credit and has been approved by the Board:

(1) The age and Membership Service Credit requirements for service retirement are as follows:
   a. Any age and 30 or more years of Membership Service Credit;
   b. Age 50 years or older and 25 or more, but less than 30 years of Membership Service Credit; or
   c. Effective July 1, 1986, age 60 years or older and 10 or more, but fewer than 25 years of Membership Service Credit. Effective July 1, 1989, age 60 years or older and 5 or more, but fewer than 25 years of Membership Service Credit.

(2) Upon a Member's service retirement, he shall be paid a benefit as provided in Section 17 of this act.

Sec. 16. Repealed by Section 9 of Chapter 248 of the 1989 Session Laws.

Sec. 17. (a) Effective July 1, 1986, upon retirement pursuant to the provisions of Sections 15 or 16, a Member shall receive a monthly benefit equal to two and four-tenths percent (2.4%) of his Final Average Salary multiplied by his Membership Service Credit, not to exceed one hundred percent (100%) of Final Average Salary, but not less than five hundred dollars ($500.00) per month. Effective July 1, 1989, upon retirement pursuant to the provisions of Section 15, a Member shall receive a monthly benefit equal to two and six-tenths percent (2.6%) of his Final Average Salary multiplied by his Membership Service Credit, not to exceed one hundred percent (100%) of Final Average Salary, but not less than five hundred dollars ($500.00). The benefit payable pursuant to this subsection shall be referred to as the basic benefit.

(b) Prior to his retirement, but not thereafter, a Member may elect to receive an Actuarial Equivalent, computed as of the effective date of his retirement, of his basic benefit from subsection (a) of this section in a reduced monthly amount payable throughout his life, and nominate a Beneficiary in accordance with the provisions of option 1, 2, 3, 4, 5 or 6 as set forth below. Actuarial Equivalent for all Members retiring prior to July 1, 1987, shall be computed in accordance with the Group Annuity Table for 1951 with interest at

four percent (4%). Actuarial Equivalent for all Members retiring after June 30, 1987, shall be computed in accordance with the Unisex Mortality Table for 1984 set forward one year in age with interest at six percent (6%). If a Member does not have an option election in force at the time of his retirement, his monthly benefit shall be paid as the basic benefit.

(c) Option 1. Benefit for 10 Years Certain and Life Thereafter. A Retiree shall receive a reduced basic benefit payable monthly throughout his life with the provision that if he dies before he has received 120 monthly payments, the payments will continue for the remainder of the 120-month period to such Beneficiary, if living, as the Retiree shall have nominated by written designation duly executed and filed with the Board of Trustees.

(d) Option 2. 100% Joint and Survivor Benefit. A Retiree shall receive a reduced basic benefit payable monthly throughout his life and upon his death his reduced monthly benefit shall continue throughout the life of such Beneficiary, if living, as the Retiree shall have nominated by written designation duly executed and filed with the Board of Trustees.

(e) Option 3. 75% Joint and Survivor Benefit. A Retiree shall receive a reduced basic benefit payable monthly throughout his life and upon his death seventy-five percent (75%) of his reduced monthly benefit shall continue throughout the life of such Beneficiary, if living, as the Retiree shall have nominated by written designation duly executed and filed with the Board of Trustees.

(f) Option 4. 66 2/3% Joint and Survivor Benefit. A Retiree shall receive a reduced basic benefit payable monthly throughout his life and upon his death sixty-six and two-thirds percent (66 2/3%) of his reduced monthly benefit shall continue throughout the life of such Beneficiary, if living, as the Retiree shall have nominated by written designation duly executed and filed with the Board of Trustees.

(g) Option 5. 50% Joint and Survivor Benefit. A Retiree shall receive a reduced basic benefit payable monthly throughout his life and upon his death fifty percent (50%) of his reduced monthly benefit shall continue throughout the life of such Beneficiary, if living, as the Retiree shall have nominated by written designation duly executed and filed with the Board of Trustees.

(h) Option 6. A Retiree may elect any of Options 2 through 5 with the added provision that in the event the Designated Beneficiary predeceases the Retiree, the monthly benefit payable to the Retiree after the Beneficiary's death shall be equal to the basic benefit. Such election will result in a benefit that is further reduced than the corresponding benefit payable under Options 2 through 5 if this

Option 6 has not been elected. The intent of this additional reduction is to support the additional cost of this election.

(i) In the event that a Retiree who named his spouse as Beneficiary in accordance with the provisions of Options 1 through 6 and shall subsequently become divorced from the named Beneficiary, the Retiree may then elect a life annuity which shall be the Actuarial Equivalent of the value of all future benefit payments under the option then in effect upon written request to the Board of Trustees provided such request is not inconsistent with the terms of the divorce decree. It is the Retiree's responsibility to provide all pertinent documentation.

Sec. 18. *Early Retirement.* A Member may upon written application through the Administrator to the Board of Trustees set forth an effective date of not less than 30 days nor more than 90 days subsequent to the execution and filing thereof that he desires to be retired, provided that he has acquired 25 or more, but less than 30 years of Membership Service Credit and is less than age 50 years. Upon a Member's early retirement, he shall receive a benefit as provided in Section 17, except such benefit shall be reduced by twenty-five one-hundredths of one percent (.25%) for each whole month the early retirement date precedes the Member's attainment of age 50 years.

Sec. 19. *Disability Retirement in the Line of Duty.*

(a) An 'Application for Disability Retirement in the Line of Duty' shall be filed by the Member or his department head with the Administrator, provided that the Member has applied for and been granted workers' compensation benefits on account of this disability.

(b) An 'Application for Disability Retirement in the Line of Duty' shall be administered pursuant to rules and regulations adopted by the Board of Trustees from time to time and approved by the City of Charlotte and administered in a uniform and nondiscriminatory manner.

(c) Effective July 1, 1986, upon retirement pursuant to the provisions of this section, a Member shall receive a monthly benefit equal to seventy-two percent (72%) of his Final Average Salary, but not less than five hundred dollars ($500.00) per month. Effective July 1, 1987, upon retirement pursuant to the provisions of this section, a Member shall receive a monthly benefit equal to the greater of seventy-two percent (72%) or two and four-tenths percent (2.4%) multiplied by his Membership Service, of his Final Average Salary, not to exceed one hundred percent (100%) of his Final Average Salary, but not less than five hundred dollars ($500.00) per month. Effective July 1, 1988, prior to his retirement pursuant to the provisions of this Section, but not thereafter, a Member may elect to receive an Actuarial Equivalent, computed as of the effective date of

his retirement, of his monthly amount payable throughout his life, and nominate a Beneficiary in accordance with the provisions of the Option 5, Fifty Percent (50%) Joint and Survivor Benefit, as set forth in subsection (g) of Section 17. The Actuarial Equivalent for all ~~members~~ Members retiring pursuant to this Section shall be computed in accordance with the Unisex Mortality Table for 1984 set forward one year in age, with interest at six percent (6%). Benefits payable under this Section shall be effective on the date of approval by the Board of Trustees or upon exhaustion of workers' compensation benefits, whichever is later. Also, disability retirement benefits payable under this Section may be adjusted by the disability retirement regulations adopted pursuant to the requirements contained in subsection (b) of this Section.

Sec. 20. *Disability Retirement not in the Line of Duty.*

(a) An 'Application for Disability Retirement not in the Line of Duty' shall be filed by a Member or his department head with the Administrator, provided that the Member has 10 or more years of Membership Service Credit and has applied for and been granted accident and sickness benefits on account of the disability.

(b) An 'Application for Disability Retirement not in the Line of Duty' shall be administered pursuant to rules and regulations adopted by the Board of Trustees from time to time and approved by the City of Charlotte and administered in a uniform and nondiscriminatory manner.

(c) Effective July 1, 1986, upon retirement pursuant to the provisions of this section, a Member shall receive a monthly benefit equal to thirty-six percent (36%) of his Final Average Salary, plus one and eight-tenths percent (1.8%) of his Final Average Salary multiplied by the Membership Service Credit in excess of 10 years, not to exceed one hundred percent (100%) of his Final Average Salary, but not less than five hundred dollars ($500.00) per month. Effective July 1, 1988, prior to his retirement pursuant to the provisions of this section, but not thereafter, a Member may elect to receive an Actuarial Equivalent, computed as of the effective date of his retirement, of his monthly amount payable throughout his life, and nominate a Beneficiary in accordance with the provisions of the Option 5, Fifty Percent (50%) Joint and Survivor Benefit, as set forth in subsection (g) of Section 17. The Actuarial Equivalent for all Members retiring pursuant to this section shall be computed in accordance with the Unisex Mortality Table for 1984 set forward one year in age, with interest at six percent (6%). Benefits payable under this section shall be effective on the date of approval by the Board of Trustees. Also, disability retirement benefits payable under this Section may be

adjusted by the disability retirement regulations adopted pursuant to the requirements contained in subsection (b) of this Section.

Sec. 21. (a) In the event of the death of any Member of the System prior to his effective date of retirement pursuant to the provisions of Sections 15, 16, 18, 19, or 20 of this act, his Designated Beneficiary(s) on file with the Retirement System, or his personal representative in the absence of any Designated Beneficiary, shall be entitled to reimbursement of the Total Contributions by him or on his behalf and the City of Charlotte to the System; plus, two and five-tenths percent (2.5%) interest compounded annually on the contribution balance at the beginning of each Plan Year in which the Participant contributed or in which contributions were made on his behalf. However, the two and five-tenths percent (2.5%) interest shall not apply to death benefits occurring before July 1, ~~1989,~~ 1986. Such Beneficiary(s) or personal representative must complete and file the form 'Application for Survivor Death Benefits' with the Administrator to receive reimbursement. As an option, a Beneficiary may elect to receive an annuity equal to and in lieu of a lump sum distribution by so designating on the above form. Effective July 1, 1989, as an option, a surviving spouse of a deceased Member who was eligible for a service or early retirement benefit on the date preceding death may elect to receive an Actuarial Equivalent computed as of the date preceding death in the same manner as if the deceased member had retired and elected a reduced monthly amount payable throughout his life, and nominated the surviving spouse as his beneficiary in accordance with the provisions of Option 4, Sixty-Six and Two-Thirds Percent (66 2/3%) Joint and Survivor benefit, as set forth in subsection (f) of Section 17. The Actuarial Equivalent for all benefits payable pursuant to this section shall be computed in accordance with the Unisex Mortality Table for 1984 set forward one year in age, with interest at six percent (6%).

(b) In the event of the death of a Retiree of this System before he has received monthly benefit payments equal to the present value on the effective date of retirement of the Total Contributions by him or on his behalf and the City of Charlotte to the ~~system;~~ System; plus, two and five-tenths percent (2.5%) interest compounded annually on the contribution balance at the beginning of each Plan Year in which the Participant contributed or in which contributions were made on his behalf and provided a monthly benefit is not payable in accordance with Section 17, the Designated Beneficiary(s) or estate of the retiree shall be entitled to an amount equal to the difference between such contributions, plus interest, and the sum of the monthly benefit payments received by the retiree. However, the two and five-tenths percent (2.5%) interest shall not apply to death benefits occurring

before July 1, 1986. Such Beneficiary(s) or personal representative must complete and file the form 'Application for Survivor Death Benefits' with the Administrator to receive reimbursement.

Sec. 22. *Coordination of Benefits.* The Board of Trustees shall reduce the amount of any benefits payable under the provisions of this section by any amount of benefits being concurrently paid to a Retiree by or on behalf of the City of Charlotte.

Sec. 23. *Post-Retirement Adjustments.*

(a) The retirement benefits payable to a Retiree pursuant to the provisions of this act may be adjusted at the discretion of the Board of Trustees based upon the prevailing economic and funding conditions. Such adjustment shall not be paid until such adjustment is ratified by the City of Charlotte.

(b) Effective July 1, 1989, the Board of Trustees shall make an annual bonus payment in the month of January following an annual actuarial valuation when the actuary determines that the actual payroll contributions exceed the required contributions adjusted for any actuarial gains and losses that may have occurred during the preceding year. The lesser of fifty percent (50%) of the excess amount determined by the actuary or the aggregate monthly benefit of the Retirees eligible for the bonus shall be distributed. A Retiree who has been retired for at least one year as of December 31, preceding distribution of the bonus, shall receive a bonus that is determined by the Administrator as proportional of the Retiree's monthly benefit to the aggregate monthly benefits of all Retirees eligible for the bonus.

TITLE V. METHOD OF FINANCING.

Sec. 24. *Member Contributions.* Each Member shall contribute to the Charlotte Firefighters' Retirement System and the City of Charlotte shall cause to be deducted from each and every payroll of such Member, an amount equal to the Member's Compensation multiplied by the sum of the then current social security contribution rate and five percent (5%).

Notwithstanding any provision of this act to the contrary, effective July 1, 1983, the City of Charlotte, as an employer, pursuant to the provisions of Section 414(h)(2) of the Internal Revenue Code of 1986, as amended from time to time, may elect to pick up and pay the contributions that would be payable by the Members of the Retirement System under this section with respect to the service of the Members after June 30, 1983.

The Members' contributions picked up by the City of Charlotte shall be designated for all purposes of the Retirement System as Member contributions, except for the determination of tax upon a

distribution from the Retirement System. These contributions shall be credited to the fund created by this act accumulated within the fund in a Member's account that shall be separately established for the purpose of accounting for picked-up contributions. Member contributions picked up by the City of Charlotte shall be payable from the same source of funds used for the payment of Compensation to a Member. A deduction shall be made from a Member's Compensation equal to the amount of his contributions picked up by the City of Charlotte. This deduction, however, shall not reduce his Compensation for purposes of the Retirement System. Picked-up contributions shall be transmitted to the Retirement System.

Sec. 25. *City of Charlotte Contributions.* (a) The City of Charlotte shall contribute to the Charlotte Firefighters' Retirement System an amount equal to the Member's Compensation multiplied by the sum of the then current social security contribution rate and five percent (5%), for each and every payroll of such Member.

(b) Should any Member of this Retirement System enter the Armed Forces of the United States of America, the City of Charlotte shall contribute to the Charlotte Firefighters' Retirement System for each and every payroll an amount equal to the Compensation such Member would have earned based upon the last pay grade with the Fire Department multiplied by the contribution rate established pursuant to subsection (a) of this section for a period not to exceed the lesser of the Member's actual period of active military duty or five years.

(c) Should any Member of the Retirement System enter the Armed Forces of the United States of America, upon approval by the City Council, the City of Charlotte by and on behalf of such Member may contribute an amount equal to, but not to exceed, the Compensation such Member would have earned based upon the last pay grade with the Fire Department multiplied by the contribution rate established pursuant to Section 24 of this act. Any contributions by and on behalf of such Member shall inure to the benefit of such Member as though made by such Member under the provisions of this act unless otherwise specified in this act.

(d) In addition thereto, the City Council may, within its discretion and upon the recommendation of the Board of Trustees, appropriate funds necessary to provide a cost of living increase to the Retirees of the System.

Sec. 26. *Other.* Any other contributions by or on the behalf of any Member or the City of Charlotte pursuant to the provisions of this act, shall be received by the Charlotte Firefighters' Retirement System.

TITLE VI. ADMINISTRATION BY BOARD OF TRUSTEES.

Sec. 27. *General.* The Board of Trustees heretofore established is hereby continued. The general administration, management and responsibility for the proper operation of the Retirement System and for construing and making effective the provisions of this act are vested in the Board of Trustees.

Sec. 28. *Body Politic and Corporate.* The Board of Trustees shall be a body politic and corporate under the name of the Board of Trustees of the Charlotte Firefighters' Retirement System and as a body politic and corporate shall have the right to sue and be sued, shall have perpetual succession and a common seal, and in said corporate name shall be able and capable in law to take, receive, demand and possess all kinds of property hereinafter specified, and to bargain, sell, grant, transfer or dispose of all such property as it may lawfully acquire. All such property owned or acquired by said body politic and corporate shall be exempt from all taxes imposed by the State or any political subdivision thereof, specifically, but not limited to, income, license, machinery, franchise and sales taxes. In addition, the Board of Trustees as a body politic and corporate may purchase and maintain such insurance policy or policies as may be necessary for the protection of the System, the System's assets, and trustees for acts performed by them as trustees, excluding malfeasance. All expenses for the purchase or maintenance of insurance shall be borne by the System.

Sec. 29. *Board of Trustees.* The Board of Trustees shall consist of ~~10 Trustees,~~ 11 Trustees, as follows: (i) City Manager, or some other City department head or employee as duly designated by the City Manager; (ii) City Finance Director, or a deputy finance director as duly designated by the City Finance Director; (iii) City Treasurer; (iv) a Chairman of the Board and three Trustees to represent the public and who are residents of Mecklenburg County and who are appointed by the Resident Judge of the Superior Court of Mecklenburg County and who shall hold office for a period of three years or until their successor shall have been appointed and been qualified; ~~and~~ (v) three Members of the Retirement System to be elected by a Majority Vote of the Members of the Retirement System for a term of three ~~years.~~ years; and (vi) one Retiree of the Retirement System to be elected by a majority vote of the retirees of the Retirement System for a term of three years. The terms of office for elected Member Trustees and, effective July 1, 1989, for appointed Trustees, shall be graduated so that only one Trustee's term shall expire each year. Any Member shall be eligible to succeed himself as a Trustee.

Sec. 30. *Election of Member Trustees.* The elections of the ~~member~~ Member Trustees as provided for in Section 29(v) and the Retiree Trustee as provided for in Section 29 (vi) shall be administered in accordance with rules and regulations adopted by the Board of Trustees from time to time.

Sec. 31. *Oath of Office.* An oath of office shall be administered to the Chairman of the Board and each Trustee prior to their assumption of duties with the Board of Trustees. The oath of office shall be administered by the Mayor only after the Trustee having first qualified and within 10 days after having been appointed or elected. The Chairman of the Board and each Trustee shall swear to diligently and honestly administer the affairs of said Board and that he will not knowingly violate or willfully permit to be violated any of the provisions of the law applicable to the Retirement System. Such oath of office shall be subscribed to by the Member making it, and certified by the officer by whom it is taken, and immediately filed in the office of the City Clerk.

Sec. 32. *Vacancy on Board of Trustees.* (a) In the event that an elected Trustee of the Board shall make application for benefits under this act he shall first submit a written notice to the Chairman of the Board disqualifying himself from his trusteeship.

(b) A vacancy shall be deemed to have occurred if a Trustee or the Chairman fails to attend any three consecutive meetings of the Board without prior notification unless excused for cause by the Trustees attending said meetings.

(c) A vacancy shall be deemed to have occurred if a Trustee or the Chairman should die.

(d) If a Trustee shall deem himself incapable of fulfilling his Board obligations for any reason or if any condition exists that renders the Trustee disqualified, the Trustee shall submit a written notice to the Chairman disqualifying himself from his trusteeship. If the Chairman shall deem himself to be disqualified for any of the foregoing reasons, he shall submit written notice to the Resident Judge of the Superior Court of Mecklenburg County.

(e) If a vacancy shall occur pursuant to the provisions of subsections (a) through (d) of this section, the vacancy shall be filled within 90 days after the date of the vacancy, for the unexpired portion of the term, in the same manner as the position was previously filled.

Sec. 33. *Compensation of Trustees.* The members of the Board of Trustees of the Charlotte Firefighters' Retirement System shall serve without compensation, but shall be reimbursed for all reasonable and necessary expenses incurred through service upon said Board.

Sec. 34. *Officers of System.* (a) The Chairman of the Board, named pursuant to the provisions of Section 29(iv) of this act, shall preside at all meetings that he is in attendance.

(b) At its first regular meeting each ~~Year~~ year, the Board shall elect from its membership: (1) A Vice Chairman, who shall preside at any meeting that the Chairman is absent; and (2) A Secretary of the Board, who shall be responsible for the recording and certifying of the record of proceedings.

(c) The City Treasurer shall be the Treasurer of the Retirement System and shall be custodian of its assets.

Sec. 35. *Meetings.* (a) The Board of Trustees shall conduct its business at meetings that conform with the 'Open Meetings Law,' Article 33C of Chapter 143 of the General Statutes, G.S. 143-318.9 through G.S. 143-318.18.

(a1) The Board of Trustees shall hold meetings regularly, at least one in each calendar quarter, and shall designate the time and place thereof. The first regular meeting in each Plan Year shall be held on the ~~third~~ fourth Thursday of the month of July.

(b) The Chairman or, in the absence of the Chairman, the Vice Chairman may hold a special meeting and/or an emergency meeting at his discretion. Additionally, upon the written request of two members of the Board of Trustees, the Chairman shall call a special meeting of the Board.

When a special meeting is called, the Administrator shall insure that notice is given to each trustee either in person or by first class mail to the address of record on file with the Administrator. Such notice shall include the purpose of the meeting and designate the time, date and place thereof. The Chairman or Vice Chairman shall insure that the business of the special meeting be limited to the purpose as set forth in the notice.

When an emergency meeting is called, the Administrator shall attempt to notify each Trustee by telephone to the telephone number on file with the Administrator.

(c) Each Trustee shall be entitled to one vote on each motion presented to the Board of Trustees. The Chairman shall only vote in case of a tie or in such case as to create a quorum of voting. ~~Five~~ Six attending Trustees, including the Chairman, shall constitute a quorum at any meeting of the Board and at least ~~five~~ six affirmative votes shall be necessary for a decision by the Trustees at any meeting of said Board. Prior to any discussion of a specific agenda item for which a Trustee or the Chairman deems himself to have a conflict of interest, or at such point during discussion that he determines himself to have a conflict of interest, the member of the Board shall thereupon make such conflict known to the Board and the Board shall inquire into the

nature of the conflict and make a determination whether a conflict of interest exists and if the Board member should participate in discussion and vote on the agenda item.

(d) The Board of Trustees through the Secretary shall cause to be kept a record of all of its proceedings which shall be open to public inspection.

Sec. 36. *Employment of Professional Services.* (a) The Board of Trustees shall have the authority to employ and/or utilize professional and secretarial services and to purchase and maintain such property, equipment and supplies as are deemed necessary for the proper operation of the System. All expenses, fees and/or retainers for the employment of services shall be borne by the System with the singular exception of the employment of the Actuary. All fees and expenses in connection with the employment of a qualified actuary shall be paid by the City of Charlotte.

(a1) *Actuary.* The Board of Trustees shall annually request the City to employ a qualified Actuary to perform such studies and evaluations of the Charlotte Firefighters' Retirement System as may be necessary and/or desirable by the Board or City in connection with the administration of the System. Within the meaning of this subsection, a qualified Actuary shall be an Actuary who has been enrolled by the Joint Board for the Enrollment of Actuaries and shall be an associate, member, or fellow of the conference of Actuaries in Public Practice or a member of the American Academy of Actuaries.

(b) *Medical Board.* The Board of Trustees shall appoint a Medical Board to be composed of three physicians to serve at the pleasure of the Board. The Medical Board shall arrange for and evaluate all medical examinations required under provisions of this act. The Medical Board shall also investigate and evaluate all medical evidence, statements, and certificates submitted by and on behalf of a Member in connection with an application for disability retirement. The Medical Board shall render its conclusions and recommendations in writing to the Board of Trustees in accordance with the provisions of this act.

(c) *Legal Counsel.* The City attorney and staff shall be the legal advisor to the Board of Trustees.

(d) *Auditor.* The Board of Trustees shall appoint an Auditor who shall be a certified public accountant.

(e) *Administrator.* The Board of Trustees shall have the authority to appoint an Administrator who shall be responsible for the administration and coordination of all System operations and activities that are not otherwise specified in this act. Such administration shall be in accordance with rules and regulations of this act and the policy and direction of the Board. In the absence of an Administrator, the

Secretary of the Board as specified in Section 34(b)(2) shall be responsible for the coordination of Board meetings and providing proper notice of such meetings.

(f) *Insurance.* The Board of Trustees may purchase and maintain that insurance coverage necessary for the proper operation of the System, including worker's compensation, fidelity insurance, and officers' and employees' liability coverage. All expenses incurred in purchasing or maintaining this coverage, including fees, and retainers, shall be borne by the System.

Sec. 37. *Committees.* The Chairman of the Board shall appoint an Investment Committee and shall have the authority to appoint other committees of the Board as deemed appropriate.

Sec. 38. *Authority of Board of Trustees to Recommend Changes to the Retirement System.* The Board of Trustees shall have the authority to recommend to the City changes to the Retirement System. All recommendations for changes must be actuarially sound and must take into account the interest of all Participants in the System.

Sec. 39. *Authority of City of Charlotte to Make Changes with Respect to the Retirement System.* Upon the recommendation of the Board of Trustees as provided in Section 38 of this act, the City may, within its discretion, increase or decrease the rate of contribution of the Members of the System and the City of Charlotte as may be necessary for the proper operation of the Retirement System. Provided, however, that no change shall reduce benefits being paid to Retirees of the System.

The City may deviate from the provisions of this act to the extent necessary to make any changes in the System required by the Internal Revenue Service prior to its issuing a favorable determination letter under Section 401(a) and Section 501(a) of the Internal Revenue Code of 1986, as amended from time to time, and as required by the Internal Revenue Service to maintain the qualified status of the Retirement System.

Sec. 40. *Authority of City of Charlotte to Recommend Changes to the Retirement System.* The City may recommend to the General Assembly of the State of North Carolina changes to the Retirement System. All recommendations for changes must be actuarially sound and must take into account the interest of all Participants in the System.

Sec. 41. *Rules and Regulations.* Consistent with the provisions of this act, the Board of Trustees shall have the authority to adopt the rules and regulations for the administration of the Retirement System and for the transaction of its business.

TITLE VII. RECORD-KEEPING AND REPORTING REQUIREMENTS.

Sec. 42. *Record-Keeping.* The Administrator, or the Secretary of the Board in the absence of an administrator, shall maintain all data, files and records as is necessary to comply with the reporting requirements of this act.

Sec. 43. *Annual Audit.* There shall be an annual Audit of the books of the System. The Audit shall be performed by the Auditor as specified in Section 36(d).

Sec. 44. *Annual Actuarial Valuation.* There shall be an annual Actuarial Valuation as of the 1st of July. The Valuation shall be performed by the actuary as specified in Section 36(a1). Such Valuation shall be completed and presented to the Board no later than the second regular quarterly meeting each year.

Sec. 45. *Annual Report to City Council.* An annual report of the financial and actuarial condition of the System, as of the preceding June 30, shall be prepared and forwarded to the City Council in the quarter after receipt of the System's audit report from the Auditor. Such report shall contain but shall not be limited to the Auditor's opinion, such statements contained in the Auditor's report, a summary of the annual actuarial valuation and the actuary's valuation certification.

Sec. 46. *Annual Report to Members.* A copy of the report required by Section 45 shall be provided to each of the fire stations and Fire Department administrative offices of the City of Charlotte.

Sec. 47. *Other Reports.* The Administrator, or the Secretary of the Board in the absence of an administrator, shall be responsible for insuring that all reporting requirements with the Internal Revenue Service and the United States Government, including its various other agencies, departments, and offices, are complied with.

TITLE VIII. CUSTODY AND INVESTMENT OF SYSTEM ASSETS.

Sec. 48. *Trusteeship of Funds.* The Board of Trustees of the Charlotte Firefighters' Retirement System shall be the Trustee of the funds and assets of the System and shall have the power to take by gift, grant, devise or bequest any money, real or personal property or other things of value, and hold, sell or invest the same.

Sec. 49. *Custody of System Assets.* The Treasurer of the Retirement System shall be the custodian and responsible for the safekeeping of all funds paid into the Charlotte Firefighters' Retirement System. The Treasurer shall deposit said funds in a bank

or banks as designated by the Board of Trustees. The Treasurer may, with Board concurrence, use one or more nominees to facilitate transfer of the System's securities and may hold the securities in safekeeping with the Federal Reserve System, a clearing corporation, or a custodian bank which is a member of the Federal Reserve System. All payments from said funds shall be authorized by the treasurer only upon the signed, written request of the Administrator, or the Secretary of the Board in the absence of an administrator. The Treasurer shall furnish such bond as shall be required by the Board of Trustees and premium for said bond shall be paid out of the funds of the System.

Sec. 50. *Investment/Reinvestment of Funds and Assets.* The Board of Trustees shall be vested with the authority and responsibility and shall have full power to hold, purchase, sell, assign, transfer, lend and dispose of any of the securities and investments in which the System shall have been invested, as well as the proceeds of said investments and any monies belonging to the System. The Board of Trustees as fiduciaries shall:

(1) Discharge its duties solely in the interest of the Participants and the Beneficiaries;

(2) Act with the same care, skill, prudence and diligence under the circumstances then prevailing, that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims;

(3) Act with due regard for the management, reputation and stability of the issuer and the character of the particular investments being considered;

(4) Make investments for the exclusive purpose of providing benefits to Participants and Participants' Beneficiaries;

(5) Give appropriate consideration to those facts and circumstances the Board of Trustees knows or should know are relevant to the particular investment or investment course of action involved, including the role the investment or investment course of action plays in that portion of the System's investments for which the Board of Trustees has responsibility, and shall act accordingly. Appropriate consideration shall include, but is not limited to, a determination by the Board of Trustees that a particular investment or investment course of action is reasonably designed as part of the investments of the System to further the purposes of the System taking into consideration the risk of loss and the opportunity for gain or other return associated with the investment or investment course of

action; and consideration of the following factors as they relate to the investment or the investment course of action:

a. The diversification of the investments of the ~~system;~~ System:

b. The liquidity and current return of the investments of the System relative to the anticipated cash flow requirements of the System; and

c. The projected return of the investments of the System relative to the funding ~~objections~~ objectives of the System;

(6) Give appropriate consideration to investments which would enhance the general welfare of the City and its citizens if those investments offer the safety and rate of return comparable to other investments held by the System and available to the Board of Trustees at the time the investment decision is made;

(7) May use a portion of income of the System to defray the cost of investing, managing and protecting the assets of the System; and

(8) May utilize the services of Investment Fiduciaries to manage the assets of the System. These Investment Fiduciaries shall be subject to the terms, conditions, and limitations provided in this section and any limitations as set forth by the Board of Trustees.

TITLE IX. RESTRICTIONS.

Sec. 51. *Restrictions.* Notwithstanding any provision of this act to the contrary:

(1) No part of the funds contributed to the Retirement System pursuant to this act, or the income thereon, may be used for, or diverted to, purposes other than for the exclusive benefit of Participants of the Retirement System.

(2) Upon termination of the Retirement System or upon complete discontinuance of contributions to the Retirement System, the rights of all Participants of the Retirement System to benefits accrued to the date of the termination or discontinuance, to the extent then funded, are nonforfeitable.

(3) Forfeitures under the Retirement System may not be applied to increase the benefits that any Participant would otherwise receive under the Retirement System.

(4) Notwithstanding any provision of the Retirement System to the contrary, the maximum annual benefit payable in the form of a straight life annuity from the Retirement System

on behalf of a Participant, when combined with any benefits from another qualified benefit plan maintained by the City, shall not exceed the amount as provided in this section. If the normal form of payment is other than a straight life annuity or a qualified joint and survivor annuity, the amount so determined hereunder shall be adjusted on an actuarially equivalent basis to reflect such other payment form.

If a Participant has completed 10 or more years of service, the maximum annual benefit payable in accordance with this subdivision (4) shall be the lesser of a. and b. below:

a. Ninety thousand dollars ($90,000) (or, beginning January 1, 1988), such larger dollar amount as the Commissioner of Internal Revenue may prescribe. Such amount shall be the maximum annual benefit pursuant to this subdivision a. for that calendar year and shall apply to the limitation year ending with or within that calendar year.

b. The average annual Compensation the Participant received from the City during the three consecutive calendar years which would produce the highest such average.

If a Participant has completed less than 10 years of service, the maximum annual benefit payable in accordance with this subdivision (4) shall be the lesser of subdivisions a. and b. above, multiplied by the ratio that the Participant's actual number of years of service bears to 10.

If the payment of a benefit to a Participant begins after he attains age 65, the maximum benefit shall be actuarially adjusted to that amount that, if paid in the same form and beginning at the same time as the benefit, would be the actuarial equivalent of the maximum benefit that was payable in the normal form of retirement allowance beginning on the first day of the month coincident with or next following the Participant's attainment of age 65.

If the payment of a benefit to a Participant begins before he attains age 62, the maximum benefit shall be actuarially adjusted to that amount which, if paid in the same form and beginning at the same time as his benefit, would be the actuarial equivalent of the maximum benefit payable in the normal form of retirement allowance beginning on the first day of the month coincident with or next following his attaining the age of 62. The reductions required by this paragraph shall in no event reduce the limitation in this subdivision a. below seventy-five thousand dollars ($75,000), if the benefit begins on or after the Participant's attainment of age 55 or the actuarial equivalent

of the seventy-five thousand dollars ($75,000) benefit limitation for age 55, if the benefit begins prior to such age.

For purposes of this subdivision (4), if benefits begin before age 62, the maximum annual benefit payable shall be adjusted by an interest rate assumption not less than the greater of five percent (5%) or the rate specified in the Retirement System. For purposes of this subdivision (4), in addition to the above limitations, if a Participant is a Qualified Participant as defined in Title 1, Section 2 (17a) of this act, the actuarial reduction to the maximum benefit payable for benefits that begin prior to the attainment of age 55 shall not be reduced to an amount less than fifty thousand dollars ($50,000). If payment of a Participant's benefit begins after age 65, the maximum annual benefit payable shall be adjusted by an interest rate assumption not greater then the lesser of five percent (5%) or the rate specified in the Retirement System.

In the event a Participant is covered by one or more defined benefit plans maintained by the City, all such plans shall be aggregated in determining whether the maximum benefit limitations hereunder have been met. Further, the maximum retirement allowance as noted above may be decreased as determined necessary by the City to ensure that all plans will remain qualified under the Internal Revenue Code of 1986, as amended from time to time.

In addition to the other limitations set forth in the Retirement System and notwithstanding any other provisions of the Retirement System, the Accrued Benefit, including the right to any optional benefit provided in the Retirement System (and all other defined benefit plans required to be aggregated with the Retirement System under the provisions of Section 415 of the Internal Revenue Code of 1986, as amended from time to time), shall not increase to an amount in excess of the amount permitted under Section 415 of the Internal Revenue Code of 1986, as amended from time to time.

(5) Any benefit payable to a Participant pursuant to Section 4 of this act shall commence not later than the April 1 immediately following the calendar year in which the Participant attains age 70 1/2 or, if later, the April 1 immediately following the calendar year in which the Participant terminates service. Additionally, the distribution of any such benefit must satisfy the minimum distribution requirements set forth in this paragraph and must be consistent with Treasury Regulations, as of the required beginning date. The minimum distribution for a calendar year equals the Participant's nonforfeitable Accrued Benefit at the beginning of the year divided by the Participant's life expectancy or, if applicable, the joint and last survivor

expectancy of the participant and his Designated Beneficiary. The minimum distribution shall be computed by using the life expectancy multiples under Treasury Regulation 1.72-9. The minimum distribution for a calendar year subsequent to the first calendar year for which a minimum distribution is required may be computed by redetermining the applicable life expectancy. However, there shall be no redetermination of the joint life and last survivor expectancy of the Participant and a nonspouse Designated Beneficiary in a manner which takes into account any adjustment to a life expectancy other then the Participant's life expectancy. A distribution to the Participant in the form of a life annuity, joint and survivor annuity, or an annuity over a fixed period will satisfy the minimum distribution requirements of this paragraph if the method of distribution provides non-increasing payments or otherwise satisfies Treasury Regulations. If the Participant dies after the payment of his benefit has commenced, the death benefit provided by this act shall be paid over a period which does not exceed the payment period which had commenced. If a Participant dies prior to the time the payment of his benefit commences, the death benefit provided by this act shall be paid over a period not exceeding: (i) five years after the date of the Participant's death; or (ii) if the Beneficiary is a Designated Beneficiary, over the Designated Beneficiary's life or life expectancy. No payment of benefit over a period described in (ii) shall be permitted, unless the payment of such benefit to the Designated Beneficiary will commence no later than one year after the date of the Participant's death, or, if later, and the Designated Beneficiary is the Participant's surviving spouse, the date the Participant would have attained age 70 1/2. The life expectancy multiples under Treasury Regulation 1.72-9 shall be used for purposes of applying this paragraph. The life expectancy of a Participant's surviving spouse may be recalculated not more frequently than annually, but the life expectancy of a nonspouse Designated Beneficiary may not be recalculated after the commencement of payment of benefits to the Designated Beneficiary. Any amount paid to a Participant's child, which becomes payable to the Participant's surviving spouse upon the child's attaining the age of majority, shall be treated as paid to the Participant's surviving spouse for purposes of applying this paragraph.

TITLE X. MISCELLANEOUS.

Sec. 52. *Liabilities of Trustees.* No member of the Board of Trustees shall be personally liable by reason of his service as a Trustee for any acts performed by him as a Trustee, except for malfeasance in office. Except for costs or expenses incurred because of Trustee malfeasance, the System shall indemnify each Trustee for any and all costs or expenses incurred by that Trustee as a result of acts performed as a Trustee, including all insurance deductibles, copayments, and amounts exceeding insurance policy limits.

Sec. 53. *Assignments Prohibited.* The right of a Member to any benefits payable or reimbursement of any contributions, and any other right accrued or accruing to any person pursuant to the provisions of this act, and any monies belonging to the Retirement System shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency law, or any other process of law whatsoever, and shall be unassignable except as is specifically authorized by statute. If a Member is covered under a group insurance or prepayment plan participated in by the City, and should he be permitted to, and elect to, continue such coverage as a Retiree, he may authorize the Board of Trustees to have deducted from his monthly retirement benefits the payments required of him to continue coverage under such group insurance or prepayment plan.

Sec. 54. *Errors.* Should any change in the records result in any person receiving from the Retirement System more or less than he would have been entitled to receive had the records been correct, the Board of Trustees shall correct such error, and as far as practicable shall adjust the payment in such manner that the Actuarial Equivalent of the benefit to which the said person was correctly entitled shall be paid.

Sec. 55. *Protection Against Fraud.* Whoever with intent to deceive shall make any statements and/or reports required under this act which are untrue, or shall falsify or permit to be falsified any records of the Retirement System, or who shall otherwise violate, with intent to deceive, any of the provisions of this act, shall be prosecuted to the fullest extent of the law.

The Charlotte Firefighters' Retirement System shall have the right of setoff for any claim arising from embezzlement or by fraud of a Participant.

Sec. 56. Repealed by Section 17 of Chapter 248 of the 1989 Session Laws.

Sec. 57. *Laws Inconsistent Repealed.* All laws and clauses of law pertaining to the Charlotte Firefighters' Retirement System that are in conflict with the provisions of this act are hereby revoked.

Sec. 58. *Savings Provisions.* If any section or part of this act is for any reason held to be invalid or unconstitutional, such holding shall not be construed as affecting the validity of the remaining sections of this act or the act in its entirety: it being the legislative intent that this act shall stand notwithstanding the invalidity of any section or part of a section.

Sec. 59. This act shall apply to the City of Charlotte only."

Sec. 2. None of the provisions of this act shall create an additional liability for the Charlotte Firefighters' Retirement System unless sufficient assets are available to pay for the liability.

Sec. 3. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 1078 **CHAPTER 831**

AN ACT TO ABOLISH THE OFFICE OF CITY TREASURER OF THE CITY OF MONROE.

The General Assembly of North Carolina enacts:

Section 1. Sections 2, 3, and 4 of Chapter 1000 of the 1959 Session Laws are repealed.

Sec. 2. This act becomes effective on the first day of the calendar month following its ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 1126 **CHAPTER 832**

AN ACT TO ALLOW FRANKLIN COUNTY TO ACQUIRE PROPERTY FOR USE BY THE COUNTY BOARDS OF EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 885 of the 1989 Session Laws, as amended by Chapters 120 and 533 of the 1991 Session Laws, reads as rewritten:

"Sec. 2. This act applies only to Bladen, Columbus, Franklin, Pender, Sampson, and Richmond Counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 1142 **CHAPTER 833**

AN ACT TO TRANSFER THE NORTH CAROLINA FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION FUND FROM THE DEPARTMENT OF STATE AUDITOR TO THE DEPARTMENT OF STATE TREASURER, AND TO MAKE THE STATE TREASURER THE CHAIRMAN OF THE BOARD OF TRUSTEES OF THE PENSION FUND.

The General Assembly of North Carolina enacts:

Section 1. The statutory authority, powers, duties, and functions, records, personnel, property, unexpended balances of appropriations, allocations or other funds, including the functions of budgeting and purchasing, of the Department of State Auditor to administer the North Carolina Firemen's and Rescue Squad Workers' Pension Fund are transferred to the Department of State Treasurer.

Sec. 2. G.S. 58-86-5 reads as rewritten:

"*§ 58-86-5. Creation and membership of board of trustees; compensation.*

There is created a board to be known as the 'Board of Trustees of the North Carolina Firemen's and Rescue Squad Workers' Pension Fund', hereinafter known as 'the board'.

The board shall consist of seven members:

(1) The State ~~Auditor,~~ Treasurer, who shall act as chairman.
(2) The State Insurance Commissioner.
(3) The State ~~Treasurer.~~ Auditor.
(4) Four members to be appointed by the Governor: one a paid fireman, one a volunteer fireman, one volunteer rescue squad worker, and one representing the public at large, for terms of four years each. These members may succeed themselves.

The members presently serving on the 'Board of Trustees of the Firemen's Pension Fund' shall continue to serve until the expiration of their terms. No member of the board shall receive any salary, compensation or expenses other than that provided in G.S. 138-6 for each day's attendance at duly and regularly called and held meetings of the board of trustees."

Sec. 3. G.S. 58-86-30 reads as rewritten:

"*§ 58-86-30. 'Eligible rescue squad worker' defined; determination and certification of eligibility.*

'Eligible rescue squad worker' means any member of a rescue squad who is eligible for membership in the North Carolina Association of Rescue Squads, Inc., and who has attended a minimum of 36 hours of training and meetings in the last calendar year. Each

rescue squad worker eligible for membership in the North Carolina Association of Rescue Squads, Inc., must file a roster certified by the secretary of the association of those rescue squad workers meeting the association requirements with the State ~~Auditor~~ Treasurer by January 1 of each calendar year.

'Eligible rescue squad worker' does not mean 'eligible fireman' as defined by G.S. 58-86-25, nor may an 'eligible rescue squad worker' qualify also as an 'eligible fireman' in order to receive double benefits available under this Article."

Sec. 4. G.S. 58-86-40 reads as rewritten:

"*§ 58-86-40. Rescue squad worker's application for membership in funds; monthly payments by members; payments credited to separate accounts of members.*

Those rescue squad workers eligible pursuant to G.S. 58-86-30 may make application to the board for membership. All persons who subsequently become rescue squad workers may make application for membership. Each eligible rescue squad worker upon becoming a member shall pay the director of the fund the sum of five dollars ($5.00) per month. A rescue squad worker who, on the date of the establishment of the fund, has service as a rescue squad worker certified by the Department of State ~~Auditor,~~ Treasurer, may make a lump sum payment of five dollars ($5.00) per month for each month of service as an eligible rescue squad worker as defined by G.S. 58-86-30, on or before December 31, 1983, for as many as 240 months together with interest at an annual rate of six percent (6%).

The monthly payments shall be credited to the separate account of the member and shall be kept by the custodian so it is available for payment on withdrawal from membership or retirement."

Sec. 5. G.S. 143-166.2(d) reads as rewritten:

"(d) The term 'law-enforcement officer,' 'officer,' or 'fireman' shall mean all law-enforcement officers employed full time by the State of North Carolina or any county or municipality thereof and all full-time custodial employees of the North Carolina Department of Correction and all full-time institutional and detention employees of the Division of Youth Services of the Department of Human Resources. The term 'firemen' shall mean both 'eligible fireman'; or 'fireman' as defined in G.S. 58-86-25 and all full-time, permanent part-time and temporary employees of the North Carolina Division of Forest Resources, Department of Environment, Health, and Natural Resources, during the time they are actively engaged in fire-fighting activities; and shall mean all full-time employees of the North Carolina Department of Insurance during the time they are actively engaged in fire-fighting activities, during the time they are training fire fighters or rescue squad workers, and during the time they are engaged in

activities as members of the State Emergency Response Team, when the Team has been activated. The term 'rescue squad worker' shall mean a person who is dedicated to the purpose of alleviating human suffering and assisting anyone who is in difficulty or who is injured or becomes suddenly ill by providing the proper and efficient care or emergency medical services. In addition, this person must belong to an organized rescue squad which is eligible for membership in the North Carolina Association of Rescue Squads, Inc., and the person must have attended a minimum of 36 hours of training and meetings in the last calendar year. Each rescue squad belonging to the North Carolina Association of Rescue Squads, Inc., must file a roster of those members meeting the above requirements with the State ~~Auditor~~ Treasurer on or about January 1 of each year, and this roster must be certified to by the secretary of said association. In addition, the term 'rescue squad worker' shall mean a member of an ambulance service certified by the Department of Human Resources pursuant to Article 7 of Chapter 131E of the General Statutes. The Department of Human Resources shall furnish a list of ambulance service members to the State ~~Auditor~~ Treasurer on or about January 1 of each year. The term 'Civil Air Patrol members' shall mean those senior members of the North Carolina Wing-Civil Air Patrol 18 years of age or older and currently certified pursuant to G.S. 143B-491(a). The term 'fireman' shall also mean county fire marshals when engaged in the performance of their county duties. The term 'rescue squad worker' shall also mean county emergency services coordinators when engaged in the performance of their county duties."

Sec. 6. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 1146 **CHAPTER 834**

AN ACT TO PROVIDE AN ELECTION PROCEDURE FOR MIDTERM VACANCIES IN TABOR CITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-63 reads as rewritten:

"§ *160A-63. Vacancies.*

A vacancy that occurs in an elective office of a city shall be filled by appointment of the city council. If the term of the office expires immediately following the next regular city election, or if the next regular city election will be held within ~~90~~ 120 days after the vacancy occurs, the person appointed to fill the vacancy shall serve the remainder of the unexpired term. Otherwise, a successor shall be

elected at the next regularly scheduled city election that is held more than ~~90~~ 120 days after the vacancy occurs, and the person appointed to fill the vacancy shall serve only until the elected successor takes office. If at that election, any unexpired terms are to be filled under this section, the election for the full terms and the unexpired terms shall be conducted together. The persons receiving the highest numbers of votes equal to the number of full terms are elected to the full terms, and the persons receiving the next highest numbers of votes equal to the number of unexpired terms are elected to the unexpired terms. The elected successor shall then serve the remainder of the unexpired term. If the number of vacancies on the council is such that a quorum of the council cannot be obtained, the mayor shall appoint enough members to make up a quorum, and the council shall then proceed to fill the remaining vacancies. If the number of vacancies on the council is such that a quorum of the council cannot be obtained and the office of mayor is vacant, the Governor may fill the vacancies upon the request of any remaining member of the council, or upon the petition of any five registered voters of the city. Vacancies in appointive offices shall be filled by the same authority that makes the initial appointment. This section shall not apply to vacancies in cities that have not held a city election, levied any taxes, or engaged in any municipal functions for a period of five years or more.

In cities whose elections are conducted on a partisan basis, a person appointed to fill a vacancy in an elective office shall be a member of the same political party as the person whom he replaces if that person was elected as the nominee of a political party."

Sec. 2. This act applies to the Town of Tabor City only.

Sec. 3. This act is effective upon ratification, but expires December 31, 1993.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 1152 **CHAPTER 835**

AN ACT TO CHANGE THE PAY DATE FOR CERTAIN EMPLOYEES OF THE PITT COUNTY SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding the provisions of G.S. 115C-302(a), G.S. 115C-316(a), or any other provision of law, all 10-month employees of the Pitt County Schools, who are paid on a monthly basis, shall be paid on the fifteenth day of each month.

Nothing in this section shall have the effect of changing the rate of pay for any employee of the Pitt County Schools.

Sec. 2. This act shall not be construed to authorize prepayment of any employees by the Pitt County Board of Education.

Sec. 3. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 1202 **CHAPTER 836**

AN ACT TO CLARIFY THE PUBLIC ENTERPRISE LAW WITH RESPECT TO THE ADOPTION AND ENFORCEMENT OF UTILITY SYSTEM ORDINANCES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-312 reads as rewritten:

"§ *160A-312. Authority to operate public enterprises.*

(a) A city shall have authority to acquire, construct, establish, enlarge, improve, maintain, own, operate, and contract for the operation of any or all of the public enterprises as defined in this Article to furnish services to the city and its citizens. Subject to Part 2 of this Article, a city may acquire, construct, establish, enlarge, improve, maintain, own, and operate any public enterprise outside its corporate limits, within reasonable limitations, but in no case shall a city be held liable for damages to those outside the corporate limits for failure to furnish any public enterprise service.

(b) A city shall have full authority to protect and regulate any public enterprise system belonging to or operated by it by adequate and reasonable ~~rules and regulations.~~ rules. The rules shall be adopted by ordinance, shall apply to the public enterprise system both within and outside the corporate limits of the city, and may be enforced with the remedies available under any provision of law.

(c) A city may operate that part of a gas system involving the purchase and/or lease of natural gas fields, natural gas reserves and natural gas supplies and the surveying, drilling or any other activities related to the exploration for natural gas, in a partnership or joint venture arrangement with natural gas utilities and private enterprise."

Sec. 2. G.S. 153A-275 reads as rewritten:

"§ *153A-275. Authority to operate public enterprises.*

(a) A county may acquire, lease as lessor or lessee, construct, establish, enlarge, improve, extend, maintain, own, operate, and contract for the operation of public enterprises in order to furnish services to the county and its citizens. A county may acquire,

construct, establish, enlarge, improve, maintain, own, and operate outside its borders any public enterprise.

(b) A county may ~~by ordinance or resolution~~ adopt adequate and reasonable rules ~~and regulations~~ to protect and regulate a public enterprise belonging to or operated by it. The rules shall be adopted by ordinance, shall apply to the public enterprise system both within and outside the county, and may be enforced with the remedies available under any provision of law."

Sec. 3. This act becomes effective 1 October 1992, and applies to ordinances adopted prior to the date this act becomes effective.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.B. 846 **CHAPTER 837**

AN ACT TO AMEND AND MAKE TECHNICAL CORRECTIONS TO VARIOUS INSURANCE LAWS AND TO CLARIFY THE UNINSURED AND UNDERINSURED MOTORISTS LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-35-40(a) reads as rewritten:

"(a) No insurance premium finance company, and no employee of such a company shall pay, allow, or offer to pay or allow in any manner whatsoever to an insurance agent or any employee of an insurance agent, or to any other person, or as an inducement to the financing of an insurance policy with the insurance premium finance company or after any such policy has been financed, any rebate whatsoever, either from the service charge for financing specified in the insurance premium finance agreement or otherwise, or shall give or offer to give any valuable consideration or inducement of any kind directly or indirectly, other than an article of merchandise not exceeding one dollar ($1.00) in value which shall have thereon the advertisement of the insurance premium finance company; but an insurance premium finance company may purchase or otherwise acquire an insurance premium finance agreement provided that it conforms to this Article in all respects, from another insurance premium finance company with ~~or without~~ recourse against the insurance premium finance company on such terms and conditions as may be mutually agreed upon and such terms and conditions shall be subject to the approval of the Commissioner. ~~A premium finance company may sell or transfer ownership of any premium finance agreement or power of attorney to cancel an insurance contract to another premium finance company as long as the terms and conditions of the sale or transfer are approved in writing by the Commissioner.~~

~~Any consideration for such sale or transfer does not constitute a rebate or an inducement within the meaning of this section. The transferee company in such sale or transfer has the option of using the premium finance contract and forms of either the transferor company or of the transferee company, provided such forms have been approved by the Commissioner.~~"

Sec. 2. G.S. 58-8-35 reads as rewritten:

"*§ 58-8-35. Contingent liability printed on policy.*

Every insurance company licensed to do business in this State shall print ~~upon the front of~~ on each policy ~~and application~~ in clear and explicit language the full contingent liability of its members. ~~The language shall include the following statements printed in bold red type for each unlimited assessment policy: "CAUTION: THIS IS AN ASSESSMENT POLICY. YOU MAY BE LIABLE FOR THE PAYMENT OF LOSSES, RESERVES, AND/OR EXPENSES INCURRED WHILE YOU ARE A MEMBER OF OUR ASSOCIATION.~~"

Sec. 3. G.S. 58-33-125(d) reads as rewritten:

"(d) The requirement for an ~~examination~~ examination, prelicensing education, continuing education, or a registration fee does not apply to agents for domestic farmers' mutual assessment fire insurance companies or associations who solicit and sell only those kinds of insurance specified in G.S. 58-7-75(5)d for such ~~companies.~~ companies or associations."

Sec. 4. Section 6 of Chapter 775 of the 1989 Session Laws, as added by Section 88 of Chapter 720 of the 1991 Session Laws, reads as rewritten:

"Sec. 6. This act does not apply to ~~noncancelable disability insurance as defined in G.S. 58-7-15(3)b.~~ disability income insurance."

Sec. 5. G.S. 58-7-32(b) reads as rewritten:

"(b) No insurer shall, for reinsurance ceded, reduce any liability or establish any asset in any financial statement filed with the Commissioner if, by the terms of the reinsurance agreement, in substance or effect, any of the following conditions exist:

(1) The primary effect of the reinsurance agreement is to transfer deficiency reserves or excess interest reserves to the books of the reinsurer for a risk charge and the agreement does not provide for significant participation by the reinsurer in one or more of the following risks: mortality, morbidity, investment, or surrender benefit;

(2) The reserve credit taken by the ceding insurer is not in compliance with insurance statutes or with rules or actuarial interpretations or standards adopted by the Commissioner;

(3) The reserve credit taken by the ceding insurer is greater than the underlying reserve of the ceding insurer supporting the policy obligations transferred under the reinsurance agreement;

(4) The ceding insurer is required to reimburse the reinsurer for negative experience under the reinsurance agreement, except that neither offsetting experience refunds against prior years' losses nor payment by the ceding insurer of an amount equal to prior years' losses upon voluntary termination of in-force reinsurance by that ceding insurer shall be considered such a reimbursement to the reinsurer for negative experience;

(5) The ceding insurer can be deprived of surplus at the reinsurer's option or automatically upon the occurrence of some event, such as the insolvency of the ceding insurer; except that termination of the reinsurance agreement by the reinsurer for nonpayment of reinsurance premiums shall not be considered to be such a deprivation of surplus;

(6) The ceding insurer must, at scheduled times specified or implied in the agreement, terminate or automatically recapture all or part of the coverage ceded;

(7) No cash payment is due from the reinsurer, throughout the lifetime of the reinsurance agreement, with all settlements before the termination date of the agreement made only in a reinsurance account, and no funds in the account are available for the payment of benefits; or

(8) The reinsurance agreement involves the possible payment by the ceding insurer to the reinsurer of amounts other than from income reasonably expected from the reinsured policies."

Sec. 6. G.S. 58-58-135 reads as rewritten:

"*§ 58-58-135. 'Group life insurance' defined.*

No policy of group life insurance shall be delivered in this State unless it conforms to one of the following descriptions:

(1) A policy issued to an employer, or to the trustee of a fund established by an employer, which employer or trustee shall be deemed the policyholder, to insure employees of the employer for the benefit of persons other than the employer subject to the following requirements:

a. The employees eligible for insurance under the policy shall be all of the employees of the employer, or all of any class or classes thereof determined by conditions pertaining to their employment. The policy may provide that the term 'employees' shall include the employees of

one or more subsidiary corporations, and the employees, individual proprietors, and partners of one or more affiliated corporations, proprietors or partnerships if the business of the employer and of such affiliated corporations, proprietors or partnerships is under common control through stock ownership, contract, or otherwise. The policy may provide that the term 'employees' shall include the individual proprietor or partners if the employer is an individual proprietor or a partnership. The policy may provide that the term 'employees' shall include retired employees. The term 'employer' as used herein may be deemed to include any county, municipality, or the proper officers, as such, of any unincorporated municipality or any department, division, agency, instrumentality or subdivision of a county, unincorporated municipality or municipality. In all cases where counties, municipalities or unincorporated municipalities or any officer, agent, division, subdivision or agency of the same have heretofore entered into contracts and purchased group life insurance for their employees, such transactions, contracts and insurance and the purchase of the same is hereby approved, authorized and validated.

b. The premium for the policy shall be paid ~~by the policyholder,~~ either wholly or partly from the employer's funds or funds contributed by him, or wholly or partly ~~from such funds and partly~~ from funds contributed by the insured ~~employees.~~ employees, or by both. ~~No policy may be issued on which the entire premium is to be derived from funds contributed by the insured employees.~~ A policy on which all or part of the premium is to be derived from funds contributed by the insured employees may be placed in force provided the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from funds contributed by the insured employees must insure all eligible employees, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

c. The policy must cover at least 10 employees at date of issue.

~~d. The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the employees or by the employer or trustee.~~

(2) A policy issued to a creditor, who shall be deemed the policyholder, to insure debtors of the creditor, subject to the following requirements:

a. The debtors eligible for insurance under the policy shall be all of the debtors of the creditor whose indebtedness is repayable in installments, or all of any class or classes thereof determined by conditions pertaining to the indebtedness or to the purchase giving rise to the indebtedness. The policy may provide that the term 'debtors' shall include the debtors of one or more subsidiary corporations, and the debtors of one or more affiliated corporations, proprietors or partnerships if the business of the policyholder and of such affiliated corporations, proprietors or partnerships is under common control through stock ownership, contract or otherwise.

b. The premium for the policy shall be paid ~~by the policyholder, either~~ from the creditor's funds, ~~or~~ from charges collected from the insured debtors, or from both. A policy on which part or all of the premium is to be derived from the collection from the insured debtors or identifiable charges not required of uninsured debtors shall not include, in the class or classes of debtors eligible for insurance, debtors under obligations outstanding at its date of issue without evidence of individual insurability unless the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from the collection of such identifiable charges must insure all eligible debtors, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

c. The policy may be issued only if the group of eligible debtors is then receiving new entrants at the rate of at least 100 persons yearly, or may reasonably be expected to receive at least 100 new entrants during the first policy year, and only if the policy reserves to the insurer the right to require evidence of individual insurability if less than seventy-five percent (75%) of the new entrants become insured.

d, e. Repealed by Session Laws 1975, c. 660, s. 4.

(3) A policy issued to a labor union, which shall be deemed the policyholder, to insure members of such union for the benefit of persons other than the union or any of its

officials, representatives or agents, subject to the following requirements:

a. The members eligible for insurance under the policy shall be all of the members of the union, or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the union, or both.

b. The premium for the policy shall be paid ~~by the policyholder,~~ either wholly or partly from the union's funds, or wholly or partly ~~from such funds and partly~~ from funds contributed by the insured members specifically for their ~~insurance.~~ insurance, or by both. ~~No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance.~~ A policy on which all or part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force provided the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

c. The policy must cover at least 25 members at date of issue.

~~d. The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the members or by the union.~~

(4) A policy issued to the trustee of a fund established by two or more employers in the same industry or kind of business or by two or more labor unions, which trustee shall be deemed the policyholder, to insure employees of the employers or members of the unions for the benefit of persons other than the employers or the unions, subject to the following requirements:

a. The persons eligible for insurance shall be all of the employees of the employers or all of the members of the unions, or all of any class or classes thereof determined by conditions pertaining to their employment, or to memberships in the unions, or to both. The policy may provide that the term 'employees' shall include the individual proprietor or partners if an employer is an individual proprietor or a partnership. The policy may

provide that the term 'employees' shall include the trustee or the employees of the trustee, or both, if their duties are principally connected with such trusteeship. The policy may provide that the term 'employees' shall include retired employees.

b. The premium for the policy shall be paid ~~by the trustee~~ wholly or partly from funds contributed by the participating ~~employer or~~ employer, labor union, or ~~partly from funds contributed by the participating employer or labor union and partly from funds contributed by~~ the insured persons. ~~In no event shall the funds contributed by the participating employer or labor union represent less than twenty-five percent (25%) of the total cost of the insurance with respect to the insured persons of a participating employer or labor union.~~

If none of the premium paid by the participating employer or labor union is to be derived from funds contributed by the insured persons specifically for the insurance, all eligible employees of that particular participating employer or labor union must be insured, or all except any as to whom evidence of insurability is not satisfactory to the insurer. ~~Insurance may not be placed into effect for employees of a participating employer or labor union if less than twenty-five percent (25%) of the total cost is paid by the participating employer or labor union.~~

If part of the premium paid by the participating employer or labor union is to be derived from funds contributed by the insured persons specifically for their insurance, coverage may be placed in force on employees of a participating employer or on members of a participating labor union provided the group is structured on an actuarially sound basis.

c. The policy must cover at least 100 persons at date of issue.

~~d. The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the insured persons or by the policyholder, employers, or unions.~~

(5) A policy issued to an association of persons having a common professional or business interest, which association shall be deemed the policyholder, to insure members of such association for the benefit of persons other than the

association or any of its officials, representatives or agents, subject to the following requirements:

a. Such association shall have had an active existence for at least two years immediately preceding the purchase of such insurance, was formed for purposes other than procuring insurance and does not derive its funds principally from contributions of insured members toward the payment of premiums for the insurance.

b. The members eligible for insurance under the policy shall be all of the members of the association or all of any class or classes thereof determined by conditions pertaining to their employment, or the membership in the association, or both. The policy may provide that the term 'members' shall include the employees of members, if their duties are principally connected with the member's business or profession.

c. The premium for the policy shall be paid ~~by the policyholder,~~ either wholly or partly from the association's funds, or wholly or partly ~~from such funds and partly~~ from funds contributed by the insured members specifically for their ~~insurance,~~ insurance, or by both. No policy may be issued ~~on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance, nor~~ if the Commissioner finds that the rate of ~~such~~ insured members' contributions will exceed the maximum rate customarily charged employees insured under like group life insurance policies issued in accordance with the provisions of subdivision (1). A policy on which all or part of the premium is to be derived from funds contributed by the insured members specifically for their insurance may be placed in force provided the group is structured on an actuarially sound basis. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

d. The policy must cover at least 25 members at date of issue.

~~e. The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the members or by the association.~~

(6) Notwithstanding the provisions of this section, or any other provisions of law to the contrary, a policy may be issued to the employees of the State or any other political subdivision where the entire amount of premium therefor is paid by such employees."

Sec. 7. G.S. 58-7-95(p) reads as rewritten:

"(p) Any variable annuity contract providing benefits payable in variable amounts issued under this section may include as an incidental benefit provision for payment on death during the deferred period of an amount not in excess of the greater of the sum of the premiums or stipulated payments paid under the contract or the value of the contract at time of ~~death;~~ death or any other incidental amount approved by the Commissioner; such contracts will be deemed not to be contracts of life insurance and therefore not subject to the provisions of the insurance law governing life insurance contracts. Provision for any other benefit on death during the deferred period will be subject to such insurance provisions."

Sec. 8. G.S. 58-67-35(a) reads as rewritten:

"(a) The powers of a health maintenance organization include, but are not limited to the following:

(1) The purchase, lease, construction, renovation, operation, or maintenance of hospitals, medical facilities, or both, and their ancillary equipment, and such property as may reasonably be required for its principal office or for such other purposes as may be necessary in the transaction of the business of the organization;

(2) The making of loans to a medical group under contract with it in furtherance of its program or the making of loans to a corporation or corporations under its control for the purpose of acquiring or constructing medical facilities and hospitals or in furtherance of a program providing health care services to enrollees;

(3) The furnishing of health care services through providers which are under contract with or employed by the health maintenance organization;

(4) The contracting with any person for the performance on its behalf of certain functions such as marketing, enrollment and administration;

(5) The contracting with an insurance company licensed in this State, or with a hospital or medical service corporation authorized to do business in this State, for the provision of insurance, indemnity, or reimbursement against the cost of health care services provided by the health maintenance organization;

(6) The offering and contracting for the provision or arranging of, in addition to health care services, of:
   a. Additional health care services;
   b. Indemnity benefits, covering out-of-area or emergency services; ~~and~~
   c. Indemnity benefits, in addition to those relating to out-of-area and emergency services, provided through insurers or hospital or medical service ~~corporations.~~ corporations; and
   d. Point-of-service products, for which the Commissioner shall adopt rules governing:
      1. The percentage of an HMO's total health care expenditures for out-of-plan covered services for all of its members that may be spent on those services, which may not exceed twenty percent (20%);
      2. Product limitations;
      3. Deposit and other financial requirements; and
      4. Other requirements for marketing and administering those products."

Sec. 9. G.S. 20-279.21(b) reads as rewritten:

"(b) Such owner's policy of liability insurance:

(1) Shall designate by explicit description or by appropriate reference all motor vehicles with respect to which coverage is thereby to be granted;

(2) Shall insure the person named therein and any other person, as insured, using any such motor vehicle or motor vehicles with the express or implied permission of such named insured, or any other persons in lawful possession, against loss from the liability imposed by law for damages arising out of the ownership, maintenance or use of such motor vehicle or motor vehicles within the United States of America or the Dominion of Canada subject to limits exclusive of interest and costs, with respect to each such motor vehicle, as follows: twenty-five thousand dollars ($25,000) because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, fifty thousand dollars ($50,000) because of bodily injury to or death of two or more persons in any one accident, and fifteen thousand dollars ($15,000) because of injury to or destruction of property of others in any one accident; and

(3) No policy of bodily injury liability insurance, covering liability arising out of the ownership, maintenance, or use of any motor vehicle, shall be delivered or issued for delivery in this State with respect to any motor vehicle registered or

principally garaged in this State unless coverage is provided therein or supplemental thereto, under provisions filed with and approved by the Commissioner of Insurance, for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of uninsured motor vehicles and hit-and-run motor vehicles because of bodily injury, sickness or disease, including death, resulting therefrom, in an amount not to be less than the financial responsibility amounts for bodily injury liability as set forth in G.S. 20-279.5 nor greater than one million dollars ($1,000,000), as selected by the policy owner. The provisions shall include coverage for the protection of persons insured thereunder who are legally entitled to recover damages from owners or operators of uninsured motor vehicles because of injury to or destruction of the property of such insured, with a limit in the aggregate for all insureds in any one accident of up to the limits of property damage liability in the owner's policy of liability insurance, and subject, for each insured, to an exclusion of the first one hundred dollars ($100.00) of such damages. The provision shall further provide that a written statement by the liability insurer, whose name appears on the certification of financial responsibility made by the owner of any vehicle involved in an accident with the insured, that the other motor vehicle was not covered by insurance at the time of the accident with the insured shall operate as a *prima facie* presumption that the operator of the other motor vehicle was uninsured at the time of the accident with the insured for the purposes of recovery under this provision of the insured's liability insurance policy. The coverage required under this subdivision is not applicable where any insured named in the policy rejects the coverage. An insured named in the policy may select different coverage limits as provided in this subdivision. If the named insured in the policy does not reject uninsured motorist coverage and does not select different coverage limits, the amount of uninsured motorist coverage shall be equal to the highest limit of bodily injury and property damage liability coverage for any one vehicle in the policy. Once ~~the named insured exercises this option,~~ the option to reject the uninsured motorist coverage or to select different coverage limits is offered by the insurer, the insurer is not required to offer the option in any renewal, reinstatement, substitute, amended, altered, modified, transfer, or replacement policy unless the named insured

makes a written request to exercise a different option. The selection or rejection of uninsured motorist coverage or the failure to select or reject by a named insured is valid and binding on all insureds and vehicles under the policy. ~~If the named insured rejects the coverage required under this subdivision, the insurer is not required to offer the coverage in any renewal, reinstatement, substitute, amended, altered, modified, transfer or replacement policy unless the named insured makes a written request for the coverage.~~ Rejection of ~~this coverage~~ or selection of different coverage limits for uninsured motorist coverage for policies ~~issued after October 1, 1986,~~ under the jurisdiction of the North Carolina Rate Bureau shall be made in writing by ~~the~~ a named insured on a form promulgated by the ~~North Carolina Rate~~ Bureau and approved by the Commissioner of Insurance.

Where coverage is provided on more than one vehicle insured on the same policy or where the owner or the named insured has more than one policy with coverage under this subdivision, there shall not be permitted any combination of coverage within a policy or where more than one policy may apply to determine the total amount of coverage available.

In addition to the above requirements relating to uninsured motorist insurance, every policy of bodily injury liability insurance covering liability arising out of the ownership, maintenance or use of any motor vehicle, which policy is delivered or issued for delivery in this State, shall be subject to the following provisions which need not be contained therein.

a. A provision that the insurer shall be bound by a final judgment taken by the insured against an uninsured motorist if the insurer has been served with copy of summons, complaint or other process in the action against the uninsured motorist by registered or certified mail, return receipt requested, or in any manner provided by law; provided however, that the determination of whether a motorist is uninsured may be decided only by an action against the insurer alone. The insurer, upon being served as herein provided, shall be a party to the action between the insured and the uninsured motorist though not named in the caption of the pleadings and may defend the suit in the name of the uninsured motorist or in its own name. The insurer, upon being served with copy of summons, complaint or

other pleading, shall have the time allowed by statute in which to answer, demur or otherwise plead (whether the pleading is verified or not) to the summons, complaint or other process served upon it. The consent of the insurer shall not be required for the initiation of suit by the insured against the uninsured motorist: Provided, however, no action shall be initiated by the insured until 60 days following the posting of notice to the insurer at the address shown on the policy or after personal delivery of the notice to the insurer or its agent setting forth the belief of the insured that the prospective defendant or defendants are uninsured motorists. No default judgment shall be entered when the insurer has timely filed an answer or other pleading as required by law. The failure to post notice to the insurer 60 days in advance of the initiation of suit shall not be grounds for dismissal of the action, but shall automatically extend the time for the filing of an answer or other pleadings to 60 days after the time of service of the summons, complaint, or other process on the insurer.

b. Where the insured, under the uninsured motorist coverage, claims that he has sustained bodily injury as the result of collision between motor vehicles and asserts that the identity of the operator or owner of a vehicle (other than a vehicle in which the insured is a passenger) cannot be ascertained, the insured may institute an action directly against the insurer: Provided, in that event, the insured, or someone in his behalf, shall report the accident within 24 hours or as soon thereafter as may be practicable, to a police officer, peace officer, other judicial officer, or to the Commissioner of Motor Vehicles. The insured shall also within a reasonable time give notice to the insurer of his injury, the extent thereof, and shall set forth in the notice the time, date and place of the injury. Thereafter, on forms to be mailed by the insurer within 15 days following receipt of the notice of the accident to the insurer, the insured shall furnish to insurer any further reasonable information concerning the accident and the injury that the insurer requests. If the forms are not furnished within 15 days, the insured is deemed to have complied with the requirements for furnishing information to the insurer. Suit may not be instituted against the insurer in less than 60 days from the posting

of the first notice of the injury or accident to the insurer at the address shown on the policy or after personal delivery of the notice to the insurer or its agent. The failure to post notice to the insurer 60 days before the initiation of the suit shall not be grounds for dismissal of the action, but shall automatically extend the time for filing of an answer or other pleadings to 60 days after the time of service of the summons, complaint, or other process on the insurer.

Provided under this section the term 'uninsured motor vehicle' shall include, but not be limited to, an insured motor vehicle where the liability insurer thereof is unable to make payment with respect to the legal liability within the limits specified therein because of insolvency.

An insurer's insolvency protection shall be applicable only to accidents occurring during a policy period in which its insured's uninsured motorist coverage is in effect where the liability insurer of the tort-feasor becomes insolvent within three years after such an accident. Nothing herein shall be construed to prevent any insurer from affording insolvency protection under terms and conditions more favorable to the insured than is provided herein.

In the event of payment to any person under the coverage required by this section and subject to the terms and conditions of coverage, the insurer making payment shall, to the extent thereof, be entitled to the proceeds of any settlement for judgment resulting from the exercise of any limits of recovery of that person against any person or organization legally responsible for the bodily injury for which the payment is made, including the proceeds recoverable from the assets of the insolvent insurer.

For the purpose of this section, an 'uninsured motor vehicle' shall be a motor vehicle as to which there is no bodily injury liability insurance and property damage liability insurance in at least the amounts specified in subsection (c) of G.S. 20-279.5, or there is that insurance but the insurance company writing the insurance denies coverage thereunder, or has become bankrupt, or there is no bond or deposit of money or securities as provided in G.S. 20-279.24 or 20-279.25 in lieu of the bodily injury and property damage liability insurance, or the owner of the motor vehicle has not qualified as a self-insurer under the provisions of G.S. 20-279.33, or a vehicle that is not subject to the provisions of the Motor Vehicle Safety and Financial

Responsibility Act; but the term 'uninsured motor vehicle' shall not include:

a. A motor vehicle owned by the named insured;
b. A motor vehicle that is owned or operated by a self-insurer within the meaning of any motor vehicle financial responsibility law, motor carrier law or any similar law;
c. A motor vehicle that is owned by the United States of America, Canada, a state, or any agency of any of the foregoing (excluding, however, political subdivisions thereof);
d. A land motor vehicle or trailer, if operated on rails or crawler-treads or while located for use as a residence or premises and not as a vehicle; or
e. A farm-type tractor or equipment designed for use principally off public roads, except while actually upon public roads.

For purposes of this section 'persons insured' means the named insured and, while resident of the same household, the spouse of any named insured and relatives of either, while in a motor vehicle or otherwise, and any person who uses with the consent, expressed or implied, of the named insured, the motor vehicle to which the policy applies and a guest in the motor vehicle to which the policy applies or the personal representative of any of the above or any other person or persons in lawful possession of the motor vehicle.

(4) Shall, in addition to the coverages set forth in subdivisions (2) and (3) of this subsection, provide underinsured motorist coverage, to be used only with a policy that is written at limits that exceed those prescribed by subdivision (2) of this section and that afford uninsured motorist coverage as provided by subdivision (3) of this subsection, in an amount not to be less than the financial responsibility amounts for bodily injury liability as set forth in G.S. 20-279.5 nor greater than one million dollars ($1,000,000) as selected by the policy owner. An 'uninsured motor vehicle,' as described in subdivision (3) of this subsection, includes an 'underinsured highway vehicle,' which means a highway vehicle with respect to the ownership, maintenance, or use of which, the sum of the limits of liability under all bodily injury liability bonds and insurance policies applicable at the time of the accident is less than the applicable limits of underinsured motorist coverage for the vehicle involved in the accident and insured under the owner's policy. For the

purposes of this subdivision, the term 'highway vehicle' means a land motor vehicle or trailer other than (i) a farm-type tractor or other vehicle designed for use principally off public roads and while not upon public roads, (ii) a vehicle operated on rails or crawler-treads, or (iii) a vehicle while located for use as a residence or premises. The provisions of subdivision (3) of this subsection shall apply to the coverage required by this subdivision. Underinsured motorist coverage is deemed to apply when, by reason of payment of judgment or settlement, all liability bonds or insurance policies providing coverage for bodily injury caused by the ownership, maintenance, or use of the underinsured highway vehicle have been exhausted. Exhaustion of that liability coverage for the purpose of any single liability claim presented for underinsured motorist coverage is deemed to occur when either (a) the limits of liability per claim have been paid upon the claim, or (b) by reason of multiple claims, the aggregate per occurrence limit of liability has been paid. Underinsured motorist coverage is deemed to apply to the first dollar of an underinsured motorist coverage claim beyond amounts paid to the claimant under the exhausted liability policy.

In any event, the limit of underinsured motorist coverage applicable to any claim is determined to be the difference between the amount paid to the claimant under the exhausted liability policy or policies and the limit of underinsured motorist coverage applicable to the motor vehicle involved in the accident. Furthermore, if a claimant is an insured under the underinsured motorist coverage on separate or additional policies, the limit of underinsured motorist coverage applicable to the claimant is the difference between the amount paid to the claimant under the exhausted liability policy or policies and the total limits of the claimant's underinsured motorist coverages as determined by combining the highest limit available under each policy; provided that this sentence shall apply only to insurance on nonfleet private passenger motor vehicles as described in G.S. 58-40-15(9) and (10). The underinsured motorist limits applicable to any one motor vehicle under a policy shall not be combined with or added to the limits applicable to any other motor vehicle under that policy.

An underinsured motorist insurer may at its option, upon a claim pursuant to underinsured motorist coverage, pay moneys without there having first been an exhaustion of the

liability insurance policy covering the ownership, use, and maintenance of the underinsured highway vehicle. In the event of payment, the underinsured motorist insurer shall be either: (a) entitled to receive by assignment from the claimant any right or (b) subrogated to the claimant's right regarding any claim the claimant has or had against the owner, operator, or maintainer of the underinsured highway vehicle, provided that the amount of the insurer's right by subrogation or assignment shall not exceed payments made to the claimant by the insurer. No insurer shall exercise any right of subrogation or any right to approve settlement with the original owner, operator, or maintainer of the underinsured highway vehicle under a policy providing coverage against an underinsured motorist where the insurer has been provided with written notice before a settlement between its insured and the underinsured motorist and the insurer fails to advance a payment to the insured in an amount equal to the tentative settlement within 30 days following receipt of that notice. Further, the insurer shall have the right, at its election, to pursue its claim by assignment or subrogation in the name of the claimant, and the insurer shall not be denominated as a party in its own name except upon its own election. Assignment or subrogation as provided in this subdivision shall not, absent contrary agreement, operate to defeat the claimant's right to pursue recovery against the owner, operator, or maintainer of the underinsured highway vehicle for damages beyond those paid by the underinsured motorist insurer. The claimant and the underinsured motorist insurer may join their claims in a single suit without requiring that the insurer be named as a party. Any claimant who intends to pursue recovery against the owner, operator, or maintainer of the underinsured highway vehicle for moneys beyond those paid by the underinsured motorist insurer shall before doing so give notice to the insurer and give the insurer, at its expense, the opportunity to participate in the prosecution of the claim. Upon the entry of judgment in a suit upon any such claim in which the underinsured motorist insurer and claimant are joined, payment upon the judgment, unless otherwise agreed to, shall be applied pro rata to the claimant's claim beyond payment by the insurer of the owner, operator or maintainer of the underinsured highway vehicle and the claim of the underinsured motorist insurer.

A party injured by the operation of an underinsured highway vehicle who institutes a suit for the recovery of moneys for those injuries and in such an amount that, if recovered, would support a claim under underinsured motorist coverage shall give notice of the initiation of the suit to the underinsured motorist insurer as well as to the insurer providing primary liability coverage upon the underinsured highway vehicle. Upon receipt of notice, the underinsured motorist insurer shall have the right to appear in defense of the claim without being named as a party therein, and without being named as a party may participate in the suit as fully as if it were a party. The underinsured motorist insurer may elect, but may not be compelled, to appear in the action in its own name and present therein a claim against other parties; provided that application is made to and approved by a presiding superior court judge, in any such suit, any insurer providing primary liability insurance on the underinsured highway vehicle may upon payment of all of its applicable limits of liability be released from further liability or obligation to participate in the defense of such proceeding. However, before approving any such application, the court shall be persuaded that the owner, operator, or maintainer of the underinsured highway vehicle against whom a claim has been made has been apprised of the nature of the proceeding and given his right to select counsel of his own choice to appear in the action on his separate behalf. If an underinsured motorist insurer, following the approval of the application, pays in settlement or partial or total satisfaction of judgment moneys to the claimant, the insurer shall be subrogated to or entitled to an assignment of the claimant's rights against the owner, operator, or maintainer of the underinsured highway vehicle and, provided that adequate notice of right of independent representation was given to the owner, operator, or maintainer, a finding of liability or the award of damages shall be *res judicata* between the underinsured motorist insurer and the owner, operator, or maintainer of underinsured highway vehicle.

The coverage required under this subdivision shall not be applicable where any insured named in the policy rejects the coverage. An insured named in the policy may select different coverage limits as provided in this subdivision. If the named insured does not reject underinsured motorist coverage and does not select different coverage limits, the

amount of underinsured motorist coverage shall be equal to the highest limit of bodily injury liability coverage for any one vehicle in the policy. Once ~~the named insured exercises this option,~~ the option to reject underinsured motorist coverage or to select different coverage limits is offered by the insurer, the insurer is not required to offer the option in any renewal, reinstatement, substitute, amended, altered, modified, transfer, or replacement policy unless ~~the~~ a named insured makes a written request to exercise a different option. The selection or rejection of underinsured motorist coverage by a named insured or the failure to select or reject is valid and binding on all insureds and vehicles under the policy.

~~If the named insured rejects the coverage required under this subdivision, the insurer shall not be required to offer the coverage in any renewal, reinstatement, substitute, amended, altered, modified, transfer or replacement policy unless the named insured makes a written request for the coverage.~~ Rejection of ~~this coverage~~ or selection of different coverage limits for underinsured motorist coverage for policies ~~issued after October 1, 1986,~~ under the jurisdiction of the North Carolina Rate Bureau shall be made in writing by the named insured on a form promulgated by the ~~North Carolina Rate~~ Bureau and approved by the Commissioner of Insurance."

Sec. 10. Section 9 of Chapter 469 of the 1991 Session Laws reads as rewritten:

"Sec. 9. Sections 1, 4, 5, 6, 7 and 8 of this act become effective January 1, 1992, for all new and renewal policies written to be effective on or after that date. Sections 2 and 3 of the act become effective January 1, ~~1992,~~ 1992, but shall not affect any policy in effect before that date until the policy is renewed."

Sec. 11. G.S. 58-36-75(c) reads as rewritten:

"(c) The subclassification plan promulgated pursuant to G.S. 58-36-65(b) shall provide for facility recoupment surcharges pursuant to G.S. 58-37-40(f) and G.S. 58-37-75, in addition to premium surcharges, for convictions for the following moving traffic violations:

General Statute	Description of Offense
20-12.1	Being impaired while accompanying a permittee who is learning to drive
20-28	Driving while license is suspended or revoked
20-138.1	Driving a vehicle while impaired
20-138.2	Driving a commercial vehicle while impaired

20-138.3	Driving by provisional licensee after consuming alcohol or drugs
20-140(a)	Driving carelessly and heedlessly in willful or wanton disregard of the rights of others
20-140(b)	Driving without due caution in a manner so as to endanger other people or property
20-141(a)	Only driving at least 11 miles per hour over the posted speed limit
20-141(j)	Driving in excess of 55 mph and at least 15 mph over legal limit, while fleeing or attempting to elude arrest by a law enforcement officer
20-141(j1)	Driving more than 15 mph over legal limit
20-141.1	Speeding in a school zone
20-141.3(a)	Engaging in prearranged speed competition with another motor vehicle
20-141.3(b)	Willfully engaging in speed competition with another motor vehicle (not prearranged)
20-141.3(c)	Allowing or authorizing others to use one's motor vehicle in prearranged speed competition or placing or receiving a bet or wager on a prearranged speed competition
20-141.4(a1)	Death by vehicle (unintentionally causing death of another while engaged in impaired driving)
20-141.4(a2)	Death by vehicle (unintentionally causing death of another as a result of a violation of motor vehicle law intended to regulate traffic or used to control operation of a vehicle)
20-166(a)	Failure to stop by driver who knew or should have known he was involved in accident and that accident caused death or injury to any person
20-166(c)	Failure of driver involved in accident causing property damage or personal injury or death (if driver did not know of injury or death) to stop at scene of accident
20-175.2	Failure to yield right-of-way to blind person at crossings, intersections, and traffic control signal points
20-217	Failure to stop and remain stopped when approaching a stopped school bus engaged in receiving or discharging passengers and

	while bus has mechanical stop signal displayed
14-18	Voluntary manslaughter
14-18	Involuntary manslaughter"

Sec. 12. Section 9 of this act becomes effective October 1, 1992, and applies to all new and renewal policies to be effective on or after that date. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.B. 1349 **CHAPTER 838**

AN ACT TO AUTHORIZE THE CITY OF KINSTON TO IMPOSE A TAX ON MOTOR VEHICLES OF UP TO FIFTEEN DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-97(a) reads as rewritten:

"(a) All taxes levied under the provisions of this Article are intended as compensatory taxes for the use and privileges of the public highways of this State, and shall be paid by the Commissioner to the State Treasurer, to be credited by him to the State Highway Fund; and no county or municipality shall levy any license or privilege tax upon any motor vehicle licensed by the State of North Carolina, except that cities and towns other than the City of Durham may levy not more than ~~five dollars ($5.00)~~ fifteen dollars ($15.00) per year upon any vehicle resident therein, and except that the City of Durham may levy not more than one dollar ($1.00) per year upon any vehicle resident therein. Provided, further, that cities and towns may levy, in addition to the amounts hereinabove provided for, a sum not to exceed fifteen dollars ($15.00) per year upon each vehicle operated in such city or town as a taxicab."

Sec. 2. This act applies only to the City of Kinston.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.B. 1561 **CHAPTER 839**

AN ACT TO CLARIFY THE DEVELOPMENT, DELEGATION, AND INJUNCTIVE RELIEF PROVISIONS OF THE COASTAL AREA MANAGEMENT ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 113A-103(5)a. reads as rewritten:

"a. 'Development' means any activity in a duly designated area of environmental concern (except as provided in paragraph b of this subdivision) involving, requiring, or consisting of the construction or enlargement of a structure; excavation; dredging; filling; dumping; removal of clay, silt, sand, gravel or minerals; bulkheading, driving of pilings; clearing or alteration of land as an adjunct of construction; alteration or removal of sand dunes; alteration of the shore, bank, or bottom of the Atlantic Ocean or any sound, bay, river, creek, stream, lake, or ~~canal.~~ canal; or placement of a floating structure in an area of environmental concern identified in G.S. 113A-113(b)(2) or (b)(5)."

Sec. 2. G.S. 113A-124(c) reads as rewritten:

"(c) The Commission shall have the following additional powers and duties under this Article:

(1) To recommend to the Secretary the acceptance of donations, gifts, grants, contributions and appropriations from any public or private source to use in carrying out the provisions of this Article.

(2) To recommend to the Secretary of Administration the acquisition by purchase, gift, condemnation, or otherwise, lands or any interest in any lands within the coastal area.

(3) To hold such public hearings as the Commission deems appropriate.

(4) To delegate the power to conduct a hearing, on behalf of the Commission, to any member of the Commission or to any qualified employee of the Department. Any person to whom a delegation of power is made to conduct a hearing shall report his recommendations with the evidence and the record of the hearing to the Commission for decision or action.

(5) Repealed by Session Laws 1987, c. 827, s. 141.

(6) To delegate the power to determine whether a contested case hearing is appropriate in accordance with G.S. 113A-121.1(b).

(7) To delegate the power to grant or deny requests for declaratory rulings under G.S. 150B-4 in accordance with standards adopted by the Commission.

(8) To adopt rules to implement this Article."

Sec. 3. G.S. 113A-126 reads as rewritten:

"§ *113A-126. Injunctive relief and penalties.*

(a) Upon violation of any of the provisions of this Article or of any rule or order adopted under the authority of this Article the Secretary

may, either before or after the institution of proceedings for the collection of any penalty imposed by this Article for such violation, institute a civil action in the General Court of Justice in the name of the State upon the relation of the Secretary for injunctive relief to restrain the violation ~~and for such other or further relief in the premises as said court shall deem proper,~~ and for a preliminary and permanent mandatory injunction to restore the resources consistent with this Article and rules of the Commission. If the court finds that a violation is threatened or has occurred, the court shall, at a minimum, order the relief necessary to prevent the threatened violation or to abate the violation consistent with this Article and rules of the Commission. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed by this Article for any violation of same.

(b) Upon violation of any of the provisions of this Article relating to permits for minor developments issued by a local government, or of any rule or order adopted under the authority of this Article relating to such permits, the designated local official may, either before or after the institution of proceedings for the collection of any penalty imposed by this Article for such violation, institute a civil action in the General Court of Justice in the name of the affected local government upon the relation of the designated local official for injunctive relief to restrain the violation ~~and for such other and further relief in the premises as said court shall deem proper,~~ and for a preliminary and permanent mandatory injunction to restore the resources consistent with this Article and rules of the Commission. If the court finds that a violation is threatened or has occurred, the court shall, at a minimum, order the relief necessary to prevent the threatened violation or to abate the violation consistent with this Article and rules of the Commission. Neither the institution of the action nor any of the proceedings thereon shall relieve any party to such proceedings from any penalty prescribed by this Article for any violation of same.

(c) Any person who shall be adjudged to have knowingly or willfully violated any provision of this Article, or any rule or order adopted pursuant to this Article, shall be guilty of a misdemeanor, and for each violation shall be liable for a penalty of not less than one hundred dollars ($100.00) nor more than one thousand dollars ($1,000) or shall be imprisoned for not more than 60 days, or both. In addition, if any person continues to violate or further violates, any such provision, rule or order after written notice from the Secretary or (in the case of a permit for a minor development issued by a local government) written notice from the designated local official, the court may determine that each day during which the violation continues or

is repeated constitutes a separate violation subject to the foregoing penalties.

(d) (1) A civil penalty of not more than two hundred fifty dollars ($250.00) for a minor development violation and two thousand five hundred dollars ($2,500) for a major development violation may be assessed by the Commission against any person who:

a. Is required but fails to apply for or to secure a permit required by G.S. 113A-118, or who violates or fails to act in accordance with the terms, conditions, or requirements of such permit.

b. Fails to file, submit, or make available, as the case may be, any documents, data or reports required by the Commission pursuant to this Article.

c. Refuses access to the Commission or its duly designated representative, who has sufficiently identified himself by displaying official credentials, to any premises, not including any occupied dwelling house or curtilage, for the purpose of conducting any investigations provided for in this Article.

d. Violates a rule of the Commission implementing this Article.

(2) For each willful action or failure to act for which a penalty may be assessed under this subsection, the Commission may consider each day the action or inaction continues after notice is given of the violation as a separate violation; a separate penalty may be assessed for each such separate violation.

(3) The Commission may assess the penalties provided for in this subsection. The Commission shall notify a person who is assessed a penalty by registered or certified mail. The notice shall state the reasons for the penalty. A person may contest a penalty by filing a petition for a contested case under G.S. 150B-23 within 20 days after receiving the notice of assessment. If a person fails to pay a penalty, the Commission shall refer the matter to the Attorney General for collection. Such civil actions must be filed within three years of the date the final agency decision was served on the violator.

(4) In determining the amount of the penalty the Commission shall consider the degree and extent of

harm caused by the violation and the cost of rectifying the damage."

Sec. 4. G.S. 113A-103 is amended by adding two new definitions to read:

"(12) 'Boat' means a vessel or watercraft of any type or size specifically designed to be self-propelled, whether by engine, sail, oar, or paddle or other means, which is used to travel from place to place by water.

(13) 'Floating structure' means any structure, not a boat, supported by a means of floatation, designed to be used without a permanent foundation, which is used or intended for human habitation or commerce. A structure shall be considered a floating structure when it is inhabited or used for commercial purposes for more than thirty days in any one location. A boat may be considered a floating structure when its means of propulsion has been removed or rendered inoperative."

Sec. 5. All civil penalties and interest recovered by the Commission, together with the costs thereof, shall be paid into the General Fund of the State treasury, as nontax revenue.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.B. 719 **CHAPTER 840**

AN ACT TO DECREASE THE PROJECT COST MINIMUM FOR APPLICABILITY OF CONTRACTORS LICENSURE REQUIREMENTS, TO CLARIFY EXEMPTION PROVISIONS, AND TO REQUIRE EVIDENCE OF INSURANCE COVERAGE TO BE DEMONSTRATED.

The General Assembly of North Carolina enacts:

Section 1. G.S. 87-1 reads as rewritten:

"*§ 87-1. 'General contractor' defined; exceptions.*

For the purpose of this Article any person or firm or corporation who for a fixed price, commission, fee, or wage, undertakes to bid upon or to construct or who undertakes to superintend or manage, on his own behalf or for any person, firm, or corporation that is not licensed as a general contractor pursuant to this Article, the construction of any building, highway, public utilities, grading or any improvement or structure where the cost of the undertaking is ~~forty-five~~ thirty thousand dollars ~~($45,000)~~ ($30,000) or more, or undertakes to erect a North Carolina labeled manufactured modular

building meeting the North Carolina State Building Code, shall be deemed to be a 'general contractor' engaged in the business of general contracting in the State of North Carolina.

This section shall not apply to persons or firms or corporations furnishing or erecting industrial equipment, power plan equipment, radial brick chimneys, and monuments.

This section shall not apply to any person or firm or corporation who constructs or alters a building on land owned by that person, firm or corporation ~~when~~ provided such building is intended ~~for use by that person, firm, or corporation after completion.~~ solely for occupancy by that person and his family, firm, or corporation after completion; and provided further that, if such building is not occupied solely by such person and his family, firm, or corporation for at least 12 months following completion, it shall be presumed that the person, firm, or corporation did not intend such building solely for occupancy by that person and his family, firm, or corporation.

This section shall not apply to any person engaged in the business of farming who constructs or alters a building on land owned by that person and used in the business of farming, when such building is intended for use by that person after completion."

Sec. 2. G.S. 87-14 reads as rewritten:

"*§ 87-14. Regulations as to issue of building permits.*

Any person, firm or corporation, upon making application to the building inspector or such other authority of any incorporated city, town or county in North Carolina charged with the duty of issuing building or other permits for the construction of any building, highway, sewer, grading or any improvement or structure where the cost thereof is to be ~~forty-five~~ thirty thousand dollars ~~($45,000)~~ ($30,000) or more, shall, before he be entitled to the issuance of such permit, furnish satisfactory proof to such inspector or authority that he or another person contracting to superintend or manage the construction is duly licensed under the terms of this Article to carry out or superintend the same, and that he has paid the license tax required by the Revenue Act of the State of North Carolina then in force so as to be qualified to bid upon or contract for the work for which the permit has been ~~applied;~~ applied, and that he has in effect Workers' Compensation insurance as required by Chapter 97 of the General Statutes; and it shall be unlawful for such building inspector or other authority to issue or allow the issuance of such building permit unless and until the applicant has furnished evidence that he is either exempt from the provisions of this Article or is duly licensed under this Article to carry out or superintend the work for which permit has been applied; and further, that the applicant has paid the license tax required by the State Revenue Act then in force so as to be

qualified to bid upon or contract for the work covered by the permit; and further, that the applicant has in effect Workers' Compensation insurance as required by Chapter 97 of the General Statutes. ~~and such~~ Any building ~~inspector, or other such authority, violating~~ inspector or other such authority who is subject to and violates the terms of this section shall be guilty of a misdemeanor and subject to a fine of not more than fifty dollars ($50.00)."

Sec. 3. This act is effective upon ratification and applies to bids made, projects undertaken, or permits applied for on or after that date, except that any person, firm, or corporation that, upon the effective date of this act, owns land on which the person, firm, or corporation intends to construct multifamily residential dwelling units not intended for occupancy by the person, firm, or corporation after completion shall have one year from the effective date to obtain a building permit and begin construction of the units.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

S.B. 1073 **CHAPTER 841**

AN ACT TO ALLOW COUNTIES TO REQUIRE PRISONERS TO WORK ON PROJECTS TO BENEFIT UNITS OF STATE OR LOCAL GOVERNMENT.

The General Assembly of North Carolina enacts:

Section 1. Article 4 of Chapter 162 of the General Statutes is amended by adding four new sections to read:

"*§ 162-58. Counties may work prisoners.*

The board of commissioners of the several counties may enact by resolution all necessary rules and regulations for work on projects to benefit units of State or local government by persons convicted of crimes and imprisoned in the local confinement facilities or satellite jail/work release units of their respective counties. The sheriff shall approve rules and regulations enacted by the board. Prisoners working under this section shall be supervised by county employees or by the sheriff. The rules enacted by the board of county commissioners and approved by the sheriff shall specify a procedure for ensuring that county employees supervising prisoners pursuant to this section be provided with notice that the persons placed under their supervision are inmates from a local confinement facility or a satellite jail/work release unit.

"*§ 162-59. Person having custody to approve prisoners for work.*

No prisoner shall perform work pursuant to G.S. 162-58 unless the prisoner has been approved for the work by the person having custody

of the prisoner. The decision to approve a prisoner for work shall be based on the prisoner's history of violence, if any, past criminal convictions, and current sentence. For purposes of this section, the person having custody of the prisoner is the sheriff, except that when the prisoner is confined in a district confinement facility the person having custody of the prisoner is the jail administrator. The person having custody of the prisoner may use his discretion to revoke his approval at any time and to return the prisoner to the local confinement facility or satellite jail/work release unit. Neither the person having custody of the prisoner nor any jailer may be held liable for the actions of any prisoner, including those actions committed during and after the escape of a prisoner, while the prisoner is outside their supervision pursuant to this section.

"§ *162-60. Reduction in sentence allowed for work.*

In addition to any gain time credit to which he is otherwise entitled, a prisoner who has faithfully performed the duties assigned to him pursuant to G.S. 162-58 is entitled to a reduction in his sentence of four days for each 30 days of work performed. The person having custody of the prisoner, as defined in G.S. 162-59, shall be the sole judge as to whether the prisoner has faithfully performed his duties. A prisoner who escapes or attempts to escape while performing work pursuant to G.S. 162-58 shall forfeit any reduction in sentence that he would have been entitled to under this section.

"§ *162-61. Liability of county.*

The county working prisoners pursuant to G.S. 162-58 shall remain liable for emergency medical services for those prisoners pursuant to G.S. 153A-224 while the prisoners are working. The county working the prisoners shall be liable to third parties for injuries incurred by the third parties through the negligence of the working prisoners to the same extent as the county is liable for the actions of its employees. Chapters 96 and 97 of the General Statutes shall have no application to prisoners working pursuant to G.S. 162-58."

Sec. 2. G.S. 14-255 reads as rewritten:

"§ *14-255. Escape of ~~hired~~ working prisoners from custody.*

If any ~~prisoner, who shall be removed from the prison of the respective counties, cities and towns under the law providing for the hiring out of prisoners by counties and towns,~~ prisoner removed from the local confinement facility or satellite jail/work release unit of a county pursuant to G.S. 162-58 shall escape from the person ~~or company~~ having him in ~~custody,~~ custody or the person supervising him, he shall be guilty of a ~~misdemeanor,~~ misdemeanor. ~~and shall be imprisoned at hard labor not more than 30 days, or fined not more than fifty dollars ($50.00).~~"

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1117 **CHAPTER 842**

AN ACT TO AMEND THE LAW REGARDING THE TRANSFER OF JURISDICTION OVER A JUVENILE TO SUPERIOR COURT FOR TRIAL AS AN ADULT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-608 reads as rewritten:

"*§ 7A-608. Transfer of jurisdiction of juvenile to superior court.*

The court after notice, hearing, and a finding of probable cause may transfer jurisdiction over a juvenile 14 years of age or older to superior court if the juvenile was 14 years of age or older at the time he allegedly committed an offense which would be a felony if committed by an adult. If the alleged felony constitutes a ~~capital offense~~ Class A felony and the judge finds probable cause, the judge shall transfer the case to the superior court for trial as in the case of adults."

Sec. 2. This act becomes effective October 1, 1992, and applies to offenses committed on and after that date.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1436 **CHAPTER 843**

AN ACT TO AMEND THE CHARTER OF THE CITY OF RALEIGH TO ALLOW FOR CONTRACTS WITH FEDERAL AGENCIES TO ASSIST OTHER GOVERNMENTS.

The General Assembly of North Carolina enacts:

Section 1. Section 22 of the Raleigh City Charter, Chapter 1184 of the Session Laws of 1949, is amended by enacting a new subdivision to read:

"(85) Cooperation with federal agencies. The City may enter into contracts or agreements with any agency or department of the United States Government in order to execute any undertaking. Such contracts or agreements may involve activities carried out to benefit a foreign government but the contract or agreement shall be with an agency or department of the United States Government and shall substantially comply with the requirements for interlocal agreements set out in G.S. 160A-464."

Sec. 2. This act is effective upon ratification, but applies only to contracts or agreements entered into prior to December 1, 1993.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1464 **CHAPTER 844**

AN ACT TO PROVIDE THAT DUPLIN, HERTFORD, AND MARTIN COUNTIES ARE AUTHORIZED TO CONSTRUCT GAS LINES.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 433 of the 1985 Session Laws, as amended by Chapter 839 of the 1989 Session Laws and by Chapter 13 of the 1991 Session Laws, reads as rewritten:

"Sec. 3. This act applies only to Stanly County, except that Section 1 also applies to ~~Bladen and Sampson~~ Bladen, Columbus, Duplin, Hertford, Martin, and Sampson Counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1468 **CHAPTER 845**

AN ACT MAKING A QUALIFIED EXCEPTION FROM THE PUBLIC RECORDS ACT FOR THE BRUNSWICK AND JOHNSTON COUNTIES GEOGRAPHICAL INFORMATION SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 285 of the 1991 Session Laws reads as rewritten:

"Sec. 2. This act applies to Brunswick, Catawba, Johnston and Lincoln Counties and the Cities of Conover, Hickory, Lincolnton, and Newton only."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1479 **CHAPTER 846**

AN ACT TO EXEMPT MARTIN COUNTY FROM CERTAIN ZONING NOTICE REQUIREMENTS.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding G.S. 153A-343, or any other provision of law, when a county is zoning property, in lieu of mailing a notice of the proposed zoning classification actions to any property owner or other person, a county may publish once a week for four successive calendar weeks in a newspaper having general circulation in the area a map showing the boundaries of the area which the county proposes to zone. Such map shall be not less than one-half of a newspaper page in size and shall be published on the dates that the notice of hearing with regard to such proposed zoning actions is published pursuant to G.S. 153A-323. This notice shall only be effective for property owners that reside in the area of general circulation of the newspaper which publishes the notice. Property owners who reside outside of said area, according to the address listed on the most recent property tax listing for the affected property, shall be notified by mail pursuant to G.S. 153A-343.

Sec. 2. This act applies to Martin County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1485 **CHAPTER 847**

AN ACT RELATING TO THE FURNISHING OF BONDS OF OFFICIALS OF CURRITUCK COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 269 of the 1943 Session Laws is repealed.

Sec. 2. Notwithstanding any other provision of law, any past payment of a county officials' bond by Currituck County that substantially complied with the provisions of general law is hereby validated.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1493 **CHAPTER 848**

AN ACT TO ALLOW CERTAIN COUNTIES TO ACQUIRE PROPERTY FOR USE BY CERTAIN COUNTY BOARDS OF EDUCATION AND TO AUTHORIZE CERTAIN LOCAL BOARDS OF EDUCATION TO CONVEY PROPERTY TO THE COUNTY IN CONNECTION WITH IMPROVEMENTS AND REPAIR OF THE PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 885 of the 1989 Session Laws, as amended by Chapters 120 and 533 of the 1991 Session Laws, reads as rewritten:

"Sec. 2. This act applies only to Bladen, Cabarrus, Columbus, Pender, Richmond, Rowan, Sampson, and Stanly ~~Richmond~~ Counties."

Sec. 2. Notwithstanding the provisions of G.S. 115C-518 and G.S. 160A-274, a local board of education may lease or sell any of its property to the board of commissioners of the county in which the property is located for any price negotiated between the two boards.

Sec. 3. Section 2 of this act applies only to Cabarrus, Rowan, and Stanly Counties and to local boards of education for school administrative units in or for Cabarrus, Rowan, and Stanly Counties. Section 2 of this act applies only to sales and leases of property in connection with additions, improvements, renovations, or repairs to the property or to some part of the property.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1494 **CHAPTER 849**

AN ACT TO PERMIT THE COUNTY OF STANLY TO RENAME COUNTY PUBLIC AND PRIVATE ROADS AND TO MAKE A TECHNICAL CORRECTION IN A SIMILAR ACT RELATING TO WATAUGA COUNTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-238(b) reads as rewritten:

"(b) This section applies to Alamance, Avery, Brunswick, Burke, Cabarrus, Cleveland, Henderson, McDowell, New Hanover, Pender, Randolph, Sampson, Stanly, Stokes and Surry Counties only."

Sec. 2. G.S. 153A-239.1(b) reads as rewritten:

"(b) This section applies to Alamance, Avery, Brunswick, Burke, Cabarrus, Cleveland, Henderson, McDowell, New Hanover, Pender, Randolph, Sampson, Stanly, Stokes and Surry Counties only."

Sec. 2.1. Section 1 of Chapter 778, Session Laws of 1991 is amended by deleting "Stokes, Surry and Watauga" and substituting "~~Stokes and Surry~~ Stokes, Surry and Watauga".

Sec. 2.2. Section 2 of Chapter 778, Session Laws of 1991 is amended by deleting "Stokes, Surry and Watauga" and substituting "~~Stokes and Surry~~ Stokes, Surry and Watauga".

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1520 **CHAPTER 850**

AN ACT TO PROHIBIT HUNTING FROM THE RIGHT-OF-WAY OF CERTAIN ROADS IN CRAVEN COUNTY.

The General Assembly of North Carolina enacts:

Section 1. It is unlawful to hunt, take, or kill any wild animal or wild bird on, from, or across the right-of-way of the following roads:

(1) Rural Paved Road 1258 (Jones Town Road), from its intersection with Highway 55 in the Fort Barnwell community to its intersection with Old Mill Road 1251, a distance of approximately two miles;

(2) Rollover Creek Road, Rural Paved Road 1230, Rural Road 1229, and Rural Road 1620 (Spring Hope Church Road).

Sec. 2. Violation of this act is a misdemeanor punishable for a first conviction by a fine of not less than ten dollars ($10.00) nor more than fifty dollars ($50.00) or by imprisonment not to exceed 30 days, and punishable for a second conviction within three years by a fine of not less than fifty dollars ($50.00) nor more than two hundred dollars ($200.00), by imprisonment not to exceed 90 days, or by both.

Sec. 3. This act is enforceable by law enforcement officers of the Wildlife Resources Commission, by sheriffs and deputy sheriffs, and by other peace officers with general subject matter jurisdiction.

Sec. 4. This act applies only to Craven County.

Sec. 5. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1521 **CHAPTER 851**

AN ACT TO CHANGE THE NAME OF THE NEW BERN-CRAVEN COUNTY SCHOOLS TO THE CRAVEN COUNTY SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. (a) The New Bern-Craven County Board of Education is renamed the Craven County Board of Education.

(b) The New Bern-Craven County School Administrative Unit is renamed the Craven County School Administrative Unit.

(c) The New Bern-Craven County Schools is renamed the Craven County Schools.

Sec. 2. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1522 **CHAPTER 852**

AN ACT TO PROVIDE THE COUNCIL-MANAGER FORM OF GOVERNMENT IN THE TOWN OF CORNELIUS.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the Town of Cornelius, being Chapter 288, Session Laws of 1971, is amended by adding the following new section to read:

"Sec. 6.4. *Town Manager.* The Town shall operate under the council-manager form of government in accordance with Part 2 of Article 7 of Chapter 160A of the General Statutes. The Board of Commissioners of the Town shall proceed to appoint a Town Manager under that Part to serve at the pleasure of the Board.

The Town Manager shall be the administrative head of the Town government, and shall be responsible to the Board for the proper administration of all affairs of the Town. The Town Manager shall have all powers and duties provided by State law. The Town Manager shall appoint and may remove all Town employees except the Town Attorney. The Town Manager shall also perform such other duties as are prescribed by the Board.

In case of conflict between this section and any provision of this Charter, or any ordinance or law inconsistent with this section, this section shall prevail to the extent of the conflict. Otherwise, this section does not amend any other provision of this Charter."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1531 **CHAPTER 853**

AN ACT TO AUTHORIZE THE BLADEN COUNTY BOARD OF EDUCATION TO CONVEY CERTAIN REAL PROPERTY TO THE BLADENBORO HISTORICAL SOCIETY.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding the provisions of any other law, including G.S. 115C-518, the Bladen County Board of Education may

convey to the Bladenboro Historical Society, Inc., at private sale with or without monetary consideration all its right, title, and interest to the following described property and improvements thereon:

That certain tract or parcel of land containing 2.47 acres, more or less, (1.98 acres, more or less, exclusive of road right-of-way), as shown on plat of survey entitled THE OLD BLADENBORO SCHOOL SITE, SURVEY FOR THE BLADEN COUNTY BOARD OF EDUCATION, IN THE TOWN OF BLADENBORO, BLADENBORO TOWNSHIP, BLADEN COUNTY, N.C., prepared by Stuart Gooden, Registered Surveyor, and being more particularly described as follows:

Beginning at an existing nail in the centerline of N.C. Highway 131 and runs thence as the center of a ditch and with the Henry Clyde McLean line North 60 degrees 00 minutes 20 seconds West 175.44 feet to an existing nail in the centerline of N.C. Highway 242 (Main Street); thence as the centerline of said highway South 46 degrees 33 minutes 43 seconds West 380.43 feet to an existing P.K. nail; thence with the Bladen County Board of Education line South 43 degrees 49 minutes 34 seconds East 153.19 feet to a pipe; thence South 68 degrees 21 minutes 27 seconds East 129.07 feet to an iron pipe; thence South 68 degrees 39 minutes 07 seconds East 30.47 feet to a P.K. nail set in the centerline of N.C. Highway 131; thence as the centerline of said highway North 19 degrees 46 minutes 20 seconds East 401.71 feet to the point and place of Beginning.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1575 **CHAPTER 854**

AN ACT TO MODIFY CHAPTER 546 OF THE 1987 SESSION LAWS TO REMOVE THE MUNICIPALITIES OF APEX AND FUQUAY-VARINA FROM THE SOUTH WAKE AIRPORT AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 546 of the 1987 Session Laws reads as rewritten:

"AN ACT AUTHORIZING THE ~~COMBINED MUNICIPALITIES OF APEX,~~ TOWN OF HOLLY SPRINGS ~~AND FUQUAY-VARINA~~ TO ESTABLISH AN AIRPORT AUTHORITY FOR THE PURPOSE OF ACQUIRING LANDS, CONSTRUCTING AND OPERATING AN AIRPORT AND VESTING IN SAID AIRPORT AUTHORITY

ALL POWERS SET OUT IN CHAPTER 63 OF THE GENERAL STATUTES OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. There is hereby created an airport authority to be known as 'WakeSouth Regional Airport' which shall be a body politic and corporate. The said authority shall be composed of six ~~members, two~~ members appointed ~~by the Board of Commissioners of the municipality of Apex, two~~ by the Board of Commissioners of the ~~municipality~~ Town of Holly ~~Springs and two by the Board of Commissioners of the municipality of Fuquay-Varina.~~ Springs. The said members shall be allowed a reasonable compensation and shall be paid actual expenses incurred in the transaction of business at the instance of the authority provided however, that a full-time employee of ~~either municipality~~ the Town of Holly Springs or an elected member of the Board of Commissioners of ~~either municipality~~ the Town of Holly Springs shall not be paid a reasonable compensation for his services but shall be entitled to reimbursement of actual expenses.

Sec. 2. The initial term of ~~one member~~ two members appointed by ~~each~~ the Board of Commissioners of the Town of Holly Springs ~~as above set out~~ shall ~~serve two years~~ be one year. ~~and the other member appointed by said Board of Commissioners shall serve three years and then each Board of Commissioners shall appoint one member every year thereafter from the expiration of the first two-year appointee's term.~~ The initial term of two members appointed by the Board of Commissioners of the Town of Holly Springs shall be two years. The initial term of two members appointed by the Board of Commissioners of the Town of Holly Springs shall be three years. Thereafter, all members shall serve three-year terms. The authority shall determine its own organization and shall annually at the first meeting in January of each calendar year elects its officers who shall serve for terms of one year. Officers shall be eligible to succeed themselves in office and shall be eligible to serve consecutive terms at the will of ~~their respective~~ the Board of Commissioners.

Sec. 3. (a) The authority shall, in addition to the powers conferred in Chapter 63 of the General Statutes of North Carolina, have the following powers:

(1) To sue and be sued in the name of the airport authority and all pleadings served upon the airport authority shall be served ~~of~~ on the chairperson or the secretary of the airport authority.

(2) To expend funds appropriated from time to time by the ~~said municipalities, jointly or severally,~~ Town of Holly Springs for ~~joint~~ airport purposes and to appropriate and expend

funds received by it from fees, charges, rents and dues arising out of the operation of said airport, the facilities, improvements and concessions located thereat or operated thereon.

(3) To establish, construct, control, lease, maintain, improve, operate and regulate an airport with buildings necessary to accommodate all types of business to operate an airport, runways, taxi ramps, parking ramps, and any equipment to operate an airport, to have complete authority for rules and regulations over all airport property for the control of all types of vehicular traffic, mobile or stationary, and pedestrian traffic with respect to areas or roadways not under the control of the Department of Transportation and any rules and regulations adopted by the airport authority for property exclusively under its control and to have conjunctive authority to work with and cooperate with all other duly constituted law enforcement agencies to enforce rules and regulations established by the State of North Carolina. The penalty for the violation of rules and regulations established by the airport authority shall be a misdemeanor and upon conviction, shall be punishable by a fine not to exceed fifty dollars ($50.00) or imprisonment not to exceed 30 days. All rules and regulations so adopted by the airport authority shall be recorded by certified true copies by the chairperson and secretary of the authority with the ~~municipalities of Apex, Holly Springs and Fuquay-Varina.~~ Town of Holly Springs.

(4) To acquire property by gift, devise, negotiated purchase or condemnation, and if by condemnation, then the procedure to be followed shall be the procedure set out in Article 9 of Chapter 136 of the General Statutes of North Carolina and shall have all powers therein granted. The said airport authority shall have authority to dispose of land, improvements or equipment owned by it. If property acquired by condemnation shall have a graveyard, then it shall be lawful for said airport authority, after 30 days notice, to the surviving spouse or the next of kin of the deceased buried therein, or the person in control of such graves, if any are known, to remove the body interred therein and re-inter the same in some cemetery in the same county. If no surviving spouse or next of kin or person in control can be found, then the airport authority can advertise for four consecutive weeks in a newspaper published in Wake County of the intended removal of said

gravesite and the removal shall be conducted under the supervision of the Wake County Clerk of Court or his representative and the expense of said removal shall be borne by the airport authority.

(5) To lease for a term not to exceed 40 years and for purposes not inconsistent with airport purposes or usage, real and/or personal property under the supervision of or administered by the airport authority.

(6) To contract with persons, firms or corporations for terms not to exceed 40 years, for the operation of passenger and freight flights, scheduled or nonscheduled, and any other plane or flight activities not inconsistent with airport operations and to charge and collect reasonable fees, charges, and rents for the use of such property and services rendered in the operation thereof.

(7) To operate, own, control, regulate, lease or grant to others the license to operate amusements or concessions for a term not exceeding 40 years.

(8) To enter into contracts and to pledge as security the property of the airport authority, provided however, that neither the airport authority nor the individual members thereof shall have authority to pledge the credit of or contract for the ~~municipalities of Apex, Holly Springs or Fuquay-Varina or any combination of them.~~ Town of Holly Springs. The airport authority is authorized to pledge any lease as security for any loan.

(9) To borrow money for the use of making improvements to the airport property which capital improvement loans may be long term to the extent of moneys appropriated by the ~~joint or several Boards~~ Board of Commissioners of ~~the municipalities of Apex, Holly Springs and Fuquay-Varina~~ the Town of Holly Springs and to borrow money for operating purposes, which operating loan shall not become due in excess of 12 months from the date of the loan and which operating loan shall be repayable solely out of the operating revenues of the airport.

(10) To adopt and use a seal.

(11) To contract with the Federal Aviation Administration of the United States of America or the State of North Carolina or any of their agencies or representatives relating to the grading, constructing, equipping, improving, maintaining or operating of an airport or its facilities.

(b) The airport authority shall not be liable for damages arising from injuries to persons or property caused by or growing out of fueling, refueling, or servicing any aircraft at said airport.

Sec. 4. The WakeSouth Regional Airport authority may exercise the powers granted political subdivisions under the Model Airport Zoning Act contained in Article 4, Chapter 63 of the General Statutes and may exercise the powers granted to municipalities by the terms of Article 6, Chapter 63, of the General Statutes concerning public airports and related facilities.

Sec. 5. WakeSouth Regional Airport authority may issue bonds, securities, and notes, as provided by Chapter 159 of the General Statutes. The said bonds, securities or notes shall not be obligations of the ~~municipalities of Apex, Holly Springs or Fuquay-Varina,~~ Town of Holly Springs, but the airport authority is authorized to pledge the revenues, rents, income and tolls arising from the operation of said airport until the sums borrowed therefor are fully amortized and paid.

Sec. 6. It is hereby declared to be the policy of the State of North Carolina to promote, encourage and develop air transportation, service and facilities in connection with commerce of the United States of America and to foster and preserve air transportation; and the area within Wake County is hereby declared to be an area which should be developed in connection with the interior of the State of North Carolina and other states and it is hereby declared to be necessary and desirable and in the public interest of the entire State to establish air transportation facilities and the said airport authority herein created shall be regarded as performing an essential governmental function in undertaking the construction, maintenance and operation of an airport and shall not be required to pay ad valorem taxes or assessments upon properties acquired or otherwise used for it for such purposes.

Sec. 7. In the event of cessation of the operation of an airport established under this act, or the abandonment of any of the property acquired hereunder for airport purposes, the title to any real or personal property or rights under any existing lease shall revert to and vest in the ~~municipalities of Apex, Holly Springs and Fuquay-Varina~~ Town of Holly Springs and upon the sale of any property after cessation of operations, the proceeds therefrom shall vest ~~equally in each said municipality,~~ in the Town of Holly Springs.

Sec. 8. This act is effective upon ratification."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1577 **CHAPTER 855**

AN ACT TO PROHIBIT HUNTING FROM PUBLIC ROADS IN MITCHELL COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Except as provided in Section 2 of this act, it is unlawful to hunt, take, or kill any species of wild animal or wild bird or to attempt to hunt, take, or kill any species of wild animal or wild bird by the use of firearms from, on, across, or over the roadway or right-of-way of any public road, street, or highway, or to discharge any firearm from, on, across, or over the roadway or right-of-way of any public road, street, or highway.

Sec. 2. Section 1 of this act does not apply to bear hunting or boar hunting.

Sec. 3. Violation of this act is a misdemeanor punishable by a fine of not less than fifty dollars ($50.00) nor more than two hundred dollars ($200.00), by imprisonment not to exceed 30 days, or by both, in the discretion of the court.

Sec. 4. This act is enforceable by law enforcement officers of the Wildlife Resources Commission, by sheriffs and deputy sheriffs, and by peace officers with general subject matter jurisdiction.

Sec. 5. This act applies only to Mitchell County.

Sec. 6. This act becomes effective October 1, 1992, and applies to offenses occurring on or after that date.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

H.B. 1579 **CHAPTER 856**

AN ACT TO MODIFY THE RALEIGH CIVIL SERVICE ACT CONCERNING POLITICAL ACTIVITY, SO THAT GENERAL LAW WILL APPLY.

Whereas, G.S. 160A-169 now regulates the subject; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Section 10 of Chapter 241 of the 1981 Session Laws is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 6th day of July, 1992.

S.B. 185 **CHAPTER 857**

AN ACT CONCERNING THE TAXATION OF CORPORATIONS THAT ATTRIBUTE PART OF THEIR INCOME FROM THE SALE OF CERTAIN EXPORT PROPERTY TO A FOREIGN SALES CORPORATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.5(a) is amended by adding the following subdivision to read:

"(13) The amount of income the Code allowed the taxpayer to exclude because the income was attributed under section 925 of the Code to a foreign sales corporation, to the extent the Code required the amount to be included in the federal taxable income of the foreign sales corporation to which it was attributed."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1992.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 740 **CHAPTER 858**

AN ACT RELATING TO RUNNERS FOR HEALTH CARE PROVIDERS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 90 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 27.

"Runners Prohibited.

"*§ 90-400. Definition.*

As used in this Article, a health care provider is a person holding any license issued under this Chapter.

"*§ 90-401. Runners prohibited.*

A health care provider shall not financially compensate in any manner a person, firm, or corporation for recommending or securing the health care provider's employment by a patient, or as a reward for having made a recommendation resulting in the health care provider's employment by a patient. This provision shall not be construed to prohibit a health care provider's purchase of advertising from a bona fide mass media outlet.

"*§ 90-402. Sanctions.*

Violation of G.S. 90-401 shall be grounds for the offending health care provider's licensing board to suspend or revoke the health care provider's license, to refuse to renew the health care provider's license, or to take any other disciplinary action authorized by law."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1031 **CHAPTER 859**

AN ACT TO INCORPORATE WOODLAKE VILLAGE IN MOORE COUNTY, SUBJECT TO A REFERENDUM.

The General Assembly of North Carolina enacts:

Section 1. A Charter for Woodlake Village is enacted to read:

"CHARTER OF WOODLAKE VILLAGE.

"CHAPTER I.

"INCORPORATION AND CORPORATE POWERS.

"Section 1.1. *Incorporation.* The citizens of the area described in Chapter II shall be and constitute a body politic and corporate under the name of 'Woodlake Village' and shall have all the powers, authority, rights, privileges, and immunities conferred upon municipal corporations by the Constitution and general laws of North Carolina.

"Sec. 1.2. *Powers.* The Village shall have all the powers, duties, rights, privileges and immunities now vested in the Village and now or hereafter granted to municipal corporations by the laws of the State of North Carolina and by this Charter. The Village shall exercise and enjoy all other powers, functions, rights, privileges and immunities necessary or desirable to promote or protect the safety, health, peace, security, good order, comfort, convenience, and general welfare of the Village and of its citizens, unless otherwise prohibited in this Charter.

"CHAPTER II.

"CORPORATE BOUNDARIES.

"Sec. 2.1. *Corporate Boundaries.* Until changed in accordance with law, the boundaries of Woodlake Village are:

A CERTAIN AREA OF LAND IN LITTLE RIVER TOWNSHIP, MOORE COUNTY, NORTH CAROLINA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF STATE ROAD NO. 2014 (30 FEET FROM THE CENTERLINE OF THE PAVEMENT) WITH THE NORTHEAST RIGHT OF WAY LINE OF STATE ROAD NO. 1001 (30 FEET FROM THE CENTERLINE OF THE PAVEMENT),

SAID BEGINNING CORNER BEING THE BEGINNING CORNER OF A 81.95 ACRE TRACT OF LAND DEEDED FROM MRS A. D. MCLAUGHLIN TO LAKE SURF, INC.; RUNNING THENCE FROM THE BEGINNING AS THE EAST LINE OF STATE ROAD NO. 2014, THE FOLLOWING CHORDS, N 26-10'E 994.62 TO A CORNER IN THE RIGHT OF WAY OF THE ROAD; THENCE N 17-30'E 330.29 TO A CORNER IN THE RIGHT OF WAY OF THE ROAD; THENCE N 1-30'E 293.69 TO A CORNER IN THE RIGHT OF WAY OF THE ROAD; THENCE N 0-26'W 906.04 TO A CORNER IN THE RIGHT OF WAY OF THE ROAD; THENCE N 1-20'E 448.63 TO A CORNER IN THE RIGHT OF WAY OF THE ROAD; THENCE N 12-14'E 241.10 TO A CORNER IN THE RIGHT OF WAY OF THE ROAD; THENCE N 23-17'E 309.92 TO A CORNER IN THE RIGHT OF WAY OF THE ROAD; THENCE N 30-05'E 642.43 FEET TO A CORNER IN THE LINE OF A 200.63 ACRE TRACT OF LAND DEEDED BY MRS. A. D. MCLAUGHLIN TO LAKE SURF, INC.; THENCE WITH THE LINE OF THE 200.63 ACRE TRACT N 63-21'W 30.05 FEET TO A CORNER IN THE CENTER OF THE PAVEMENT OF STATE ROAD NO.2014; THENCE ALONG THE CENTER OF THE ROAD N 30-11'E 1042.65 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 38-38'E 389.12 FEET TO A PIN IN THE CENTER OF THE ROAD IN THE SOUTH END OF THE BRIDGE ACROSS CRANES CREEK, A CORNER OF THE 200.63 ACRE TRACT AND A CORNER OF THE MURDOCK CAMERON 33.19 ACRE TRACT AND THE MURDOCK CAMERON 15.74 ACRE TRACT; THENCE ALONG THE CENTER OF THE ROAD N 42-53'E 990.61 FEET TO A PIN IN THE CENTER OF THE ROAD, A CORNER OF THE MURDOCK CAMERON 33.19 ACRE TRACT; THENCE WITH THE NORTH LINE OF THE 33.19 ACRE TRACT N 87-43'E 542.07 FEET TO AN IRON STAKE, A CORNER OF THE MURDOCK CAMERON 4.89 ACRE TRACT. THENCE WITH THE LINE OF THE 4.89 ACRE TRACT N 62-22'E 1070.0 FEET TO AN IRON STAKE; THENCE N 40-01'E 687.72 FEET TO A CORNER IN THE CENTER OF STATE ROAD NO. 2015; THENCE ALONG THE ROAD THE FOLLOWING LINES; S 71-41'E 274.5 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 78-00'E 341.66 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 86-13'E 410.0 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 72-50'E 263.16 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 59-54'E 302.65 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 53-48'E 1074.12 FEET TO A CORNER IN THE CENTERLINE INTERSECTION OF STATE

ROAD NO. 2015 WITH STATE ROAD NO. 1825 (COUNTY LINE ROAD); THENCE AS THE CENTER OF THE ROAD, THE FOLLOWING CALLS, S 42-36'E 332.78 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 52-03'E 301.62 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 57-57'E 1883.53 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 60-52'E 188.25 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 71-48'E 179.0 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 88-11'E 251.6 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 83-54'E 448.95 FEET TO A CORNER IN THE CENTER OF THE ROAD IN THE WEST LINE OF THE C. H. BLUE 88.82 ACRE TRACT; THENCE ALONG THE CENTERLINE OF THE ROAD ABOUT N 85-16'E ABOUT 946.42 FEET TO A CORNER IN THE EAST LINE OF THE BLUE LANDS IN THE CENTER OF THE ROAD; THENCE LEAVING STATE ROAD NO. 1825 S 13-35.7'W ABOUT 630 FEET TO A CORNER OF THE BLUE TRACT; THENCE S 76-28.4'E 749.83 FEET TO AN IRON STAKE; THENCE N 13-31.6'E 730.5 FEET TO A CORNER OF THE BLUE TRACT ON THE NORTH EDGE OF STATE ROAD NO. 1825; THENCE S.50-00.9'E 949.09 FEET TO A CORNER IN THE NORTH EDGE OF THE PAVEMENT, A CORNER OF THE BLUE TRACT; THENCE CROSSING THE ROAD IN 83-18.3'W 413.67 FEET TO A CORNER OF BLUE; THENCE S 5-01.8'W 467.07 FEET TO A CORNER OF BLUE; THENCE S 1-14'E 459.46 FEET TO A CORNER OF BLUE; THENCE S 10-52'W 1773.76 FEET TO A CORNER OF THE C. H. BLUE TRACT; THENCE S 89-03'E 254.57 FEET TO A CORNER; THENCE N 8-32'E 85.3 FEET TO A CORNER; THENCE N 89-20'E 528.0 FEET TO A CORNER; THENCE S 10-16'W 288.6 FEET TO A CORNER WITH BEAL IN THE MUSE TRACT; THENCE N 89-41'E 903.11 FEET TO A CORNER IN THE CENTER OF STATE ROAD NO. 2017; THENCE AS THE CENTER OF S. R. NO. 2017, THE FOLLOWING CALLS S 1842'W 237.61 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 23-00.3'W 860.11 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 22-57'W 387.01 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 22-59.3'W 604.72 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 19-58.3'W 494.09 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 6-36'W 867.53 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 5-52.2'W 590.9 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 3-25.4'W 323.90 FEET TO A CORNER IN THE CENTER OF THE ROAD;

THENCE LEAVING THE ROAD AS A LINE OF WOODROW HARDY N 84-23.4'W 1317.65 FEET TO A CORNER; THENCE S 6-46'W 1827 FEET TO A CORNER; THENCE S 4-18'W 1074.7 FEET TO A CORNER; THENCE S 8-16'W 134.6 FEET TO A CORNER OF SAWYER AND DEHART; THENCE S 70-01'W 558.0 FEET TO A CORNER; THENCE S 84-51'W 1207.6 FEET TO A CORNER ON THE WEST BANK OF CRANES CREEK; THENCE S 71-59'W 52.0 FEET TO AN IRON STAKE ON THE SOUTHWEST BANK OF CRANES CREEK; THENCE S 4-51.4'W 792.0 FEET TO A CORNER; THENCE S 48-43.1'W 1400.00 FEET TO A CORNER IN THE CENTER OF STATE ROAD NO. 1001, A CORNER OF THE SMITH TRACT; THENCE AS THE CENTER OF THE ROAD, THE FOLLOWING CALLS S 80-23.9'W 255.30 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE S 88-49.4W 160.22 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 80-58.2'W 188.1 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 71-38.4'W 228.74 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 68-20.4'W 684.66 FEET TO A CORNER IN THE CENTER OF THE PAVEMENT; THENCE LEAVING THE ROAD AS THE LINES OF THE SMITH TRACT N 15-53.1'E 411.24 FEET TO A CORNER; THENCE N 12-52.1'W 434.05 FEET TO AN IRON STAKE; THENCE S 77-02'W 752.53 FEET TO A CORNER; THENCE N 76-00'W 628.9 FEET TO A CORNER; THENCE S 49-16'W 992.0 FEET TO A PIN LOCATED 2 FEET SOUTH OF THE CENTER OF THE PAVEMENT OF STATE ROAD NO. 1001; THENCE S 82-37'W 139.03 FEET TO A CORNER IN THE ROAD RIGHT OF WAY, THE SOUTHEAST CORNER OF A 1.06 ACRE TRACT DEEDED TO M. N. BLUE; THENCE LEAVING THE ROAD AS THE EAST LINE OF THE 1.06 ACRE TRACT N 7-40'E 917.23 FEET TO A CORNER; THENCE N 84-15'W 439.02 FEET TO A CORNER OF M. N. BLUE; THENCE N 81-14.5'W 739.84 FEET TO A CORNER IN THE EAST RIGHT OF WAY LINE OF STATE ROAD NO. 1001; THENCE AS THE RIGHT OF WAY N 27-21.4' W 298.82 FEET TO A CORNER IN THE LINE OF THE RIGHT OF WAY; THENCE LEAVING THE ROAD N 76-39.7' E 996.55 FEET TO A CORNER; THENCE N 4-29.3'W 1128.86 FEET TO A CORNER; THENCE N 29-30.3'W 1140.0 FEET TO A CORNER; THENCE N 73-55'W 140.00 FEET TO A CORNER; THENCE N 73-57'W 2190.5 FEET TO A CORNER IN THE CENTER OF STATE ROAD NO. 1001; THENCE N 15-17'W 532.66 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE LEAVING THE ROAD N 51-33'E 311.0 FEET TO A CORNER; THENCE N 15-17'W

150.0 FEET TO A CORNER; THENCE S 51-33'W 311.0 FEET TO A CORNER IN THE CENTER OF STATE ROAD NO. 1001; THENCE N 18-07'W 307.40 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE N 24-13'W 192.35 FEET TO A CORNER IN THE CENTER OF THE ROAD; THENCE LEAVING THE ROAD N 24-57'E 36.0 FEET TO A CORNER IN THE NORTHEAST RIGHT OF WAY OF THE ROAD; THENCE AS THE RIGHT OF WAY OF THE ROAD THE FOLLOWING CALLS N 31-49' W 257.18 FEET TO A CORNER; THENCE N 37-26'W 403.32 FEET TO THE BEGINNING.

EXCEPTED FROM THE ABOVE AREA IS AN AREA DESCRIBED AS FOLLOWS;

BEGINNING AT A COMMON CORNER OF THE MCCRIMMON LANDS WITH WOODLAKE COUNTRY CLUB, SAID BEGINNING CORNER LOCATED AS BEING S 14-25'E 6.74 FEET FROM THE SOUTH COMMON CORNER OF LOTS 934 AND 935, WOODLAKE COUNTRY CLUB, SECTION SEVEN, PAGE TWENTY TWO, RECORDED IN PLAT CABINET 3 AT SLIDE 373 IN THE MOORE COUNTY REGISTRY; RUNNING THENCE FROM THE BEGINNING AS THE COMMON LINE OF THE MCCRIMMON LANDS AND WOODLAKE COUNTRY CLUB N 33-31'E 659.4 FEET TO A COMMON CORNER OF MCCRIMMON, THOMAS AND WOODLAKE COUNTRY CLUB; THENCE AS THE COMMON LINE OF WOODLAKE COUNTRY CLUB AND THOMAS N 54-29'E 90.0 FEET TO A CORNER; THENCE S 88-41'E 1560 FEET TO A CORNER, A CORNER OF THOMAS AND FAULK LANDS; THENCE AS THE FAULK LANDS, THE FOLLOWING CALLS, S 57-30'E 912.71 FEET TO A CORNER; THENCE S 53-52'W 1075.68 FEET TO A CORNER; THENCE N 58-32'W 432.27 FEET TO A CORNER; THENCE N 61-01'W 381.90 FEET TO A CORNER OF FAULK, THOMAS AND WOODLAKE COUNTRY CLUB; THENCE S 44-52'W 260.97 FEET TO A CORNER; THENCE N 35-43' W 53.10 FEET TO A CORNER OF THE MCCRIMMON LANDS AND WOODLAKE COUNTRY CLUB; THENCE AS THE LINE OF THE MCCRIMMON LANDS THE FOLLOWING CALLS N 83-36'W 889.40 FEET TO A CORNER; THENCE N 15-24'E 130.0 FEET TO A CORNER; THENCE N 72-14'W 644.38 FEET TO A CORNER; THENCE N 24-57'E 180.8 FEET TO A CORNER; THENCE S 62-11' E 494.9 FEET TO THE BEGINNING, CONTAINING THE LANDS OF B. B. FAULK, SHELDON FAULK, J. M. THOMAS, ALTON MCCRIMMON AND OTHERS.

"Sec. 2.2. *Extraterritorial Jurisdiction.* The Village may not exercise any extraterritorial jurisdiction or extraterritorial powers under Article 19 of Chapter 160A of the General Statutes.

"CHAPTER III.
"GOVERNING BODY.

"Sec. 3.1. *Number of Members.* The governing body shall be a Village Council consisting of five members.

"Sec. 3.2. *Manner of Election of Council.* The qualified voters of the entire Woodlake Village shall elect the Village Council.

"Sec. 3.3. *Term of Office of Council.* The three members of the Village Council who received the highest number of votes in the initial election in September of 1992 shall serve three-year terms, and their successors shall be elected in 1995 and quadrennially thereafter for four-year terms. The two members of the Village Council who received the next number of votes in the initial election in September of 1992 shall serve one-year terms, and their successors shall be elected in 1993 and quadrennially thereafter for four-year terms.

"Sec. 3.4. *Mayor.* A mayor shall be selected from the Village Council by the Village Council whose duties will be those provided by law. The term of the Mayor shall extend until the next organizational meeting of the Village Council.

"Sec. 3.5. *Pay for Council.* The members of the Village Council shall receive no pay.

"CHAPTER IV.
"ELECTIONS.

"Sec. 4.1. *Conduct of Village Elections.* The Village officers shall be elected on a nonpartisan basis, and the results determined by plurality as provided in G.S. 163-292. Elections shall be conducted by the Moore County Board of Elections.

"Sec. 4.2. *Vacancies.* The provisions of G.S. 160A-63 shall not apply to Woodlake Village until after the first election for the Village Council.

"CHAPTER V.
"ADMINISTRATION.

"Sec. 5.1. The Woodlake Village shall operate under the mayor-council plan as provided in Part 3 of Article 7 of Chapter 160A of the General Statutes.

"Sec. 5.2. *Interim Budget.* The Village Council may adopt a budget ordinance for the 1992-93 fiscal year, following their qualifications for office, without having to comply with the budget preparation and adoption timetable set out in the Local Government

Budget and Fiscal Control Act. If the initial budget is adopted after July 1, 1992, then taxes may be paid at par or face amount within 90 days of adoption of the budget, and thereafter according to the schedule in G.S. 105-360 as if the taxes had been due on September 1, 1992.

"Sec. 5.3. *Boards and Commissions.* The Village Council shall appoint a Village Advisory Commission which shall consist of not less than five nor more than nine members who shall be owners of real property within the corporate limits, but who shall not necessarily be qualified voters or residents of Woodlake Village. Such Advisory Commission shall advise the Village Council on all matters involving village services, police and fire protection, utility services, and other matters.

In addition the Village Council may appoint such other commissions and committees as may be deemed necessary or advisable in providing local governmental services to the Village.

"Sec. 5.4. *Streets.* The Village Council may acquire and maintain a system of public streets and roads and may also acquire, maintain, and provide for public streets and roads to which access is limited to Village property owners and their guests (hereinafter 'private streets and roads') for the purpose of assuring adequate police, security, and other public services to its residents. In maintaining private streets and roads, the Council may limit public access to private streets and roads by utilizing traffic control signals, signs, security gates, and other appropriate means.

In providing for its private streets and roads system, the Village may not apply for and is not eligible to receive Powell Bill funds administered by the State of North Carolina under G.S. 136-41.1. The Village may apply for Powell Bill funds for opening, maintaining, and providing for public streets and roads."

Sec. 2. (a) The Moore County Board of Elections shall conduct an election on September 15, 1992, for the purpose of submission to the qualified voters of the area described in Section 2.1 of the Charter of Woodlake Village, the question of whether or not such area shall be incorporated as Woodlake Village. Registration for the election shall be conducted in accordance with G.S. 163-288.2.

(b) In the election, the questions on the ballot shall be:

"[ ] FOR incorporation of Woodlake Village

[ ] AGAINST incorporation of Woodlake Village".

Sec. 3. In such election, if a majority of the votes are cast "FOR incorporation of Woodlake Village," this Charter shall become effective on the date that the Moore County Board of Elections determines the result of the election. Otherwise, Section 1 of this act shall have no force and effect.

Sec. 4. On September 15, 1992, the Moore County Board of Elections shall also conduct an election for Village Council of Woodlake Village, provided that unless a majority of votes cast in the election under Section 2 of this act are "FOR incorporation of Woodlake Village", the election for the Village Council is void. Candidates shall file notice of candidacy no earlier than 12:00 noon on the second Monday in July and no later than 12:00 noon on the first Monday in August.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1033 **CHAPTER 860**

AN ACT REQUIRING TRAFFIC SIGNS AND OTHER TRAFFIC CONTROL DEVICES PLACED ON A MUNICIPAL STREET SYSTEM STREET TO CONFORM TO THE APPEARANCE CRITERIA OF THE MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 136-30(b) reads as rewritten:

"(b) Municipal Street System. -- All traffic signs and other traffic control devices placed on a municipal street system street must conform to the appearance criteria of the Uniform Manual. All traffic control devices placed on a highway that is within the corporate limits of a municipality but is part of the State highway system must be approved by the Department of Transportation."

Sec. 2. This act applies to the City of Charlotte only, but expires when Section 2 of Chapter 818, Session Laws of 1991 becomes effective.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1069 **CHAPTER 861**

AN ACT TO AMEND AND RESTATE THE CHARTER OF THE GREENVILLE UTILITIES COMMISSION OF THE CITY OF GREENVILLE.

The General Assembly of North Carolina enacts:

Section 1. For the proper management of the public utilities of the City of Greenville, both within the corporate limits of the City and

outside the said corporate limits, a commission to be designated and known as the "Greenville Utilities Commission", is hereby created and established.

Sec. 2. The Greenville Utilities Commission shall consist of eight members, six of whom shall be bona fide residents of the City of whom one shall at all times be the City Manager of Greenville, and two of whom shall be bona fide residents of Pitt County but residing outside the city limits of Greenville, and all of whom shall be customers of the Greenville Utilities Commission. Each Greenville Utilities Commissioner shall hold office for an initial term of three years and, except as set forth herein, will be automatically reappointed to a single additional term of three years, with each term of three years expiring June 30 at the end of the designated term or until reappointed or replaced by the City Council. The first appointees shall hold their offices as follows: the Greenville City Council shall appoint an individual to serve until June 30, 1995; John W. Hughes, Sr. is hereby appointed a Greenville Utilities Commissioner to serve until June 30, 1995, and shall not be eligible for a second term; Bernard E. Kane is hereby appointed a Greenville Utilities Commissioner to serve until June 30, 1995; R. Richard Miller is hereby appointed a Greenville Utilities Commissioner to serve until June 30, 1994, and shall not be eligible for a second term; and the Greenville City Council shall appoint an individual to serve until June 30, 1993; all of whom are bona fide residents of the City. William G. Blount is hereby appointed a Greenville Utilities Commissioner to serve until June 30, 1993, and shall not be eligible for a second term; and the Pitt County Board of Commissioners shall nominate an individual under the procedure established in Section 3 of this act, to be appointed by the Greenville City Council to serve until June 30, 1994; both of whom are Greenville Utilities Commission customers and bona fide residents of Pitt County residing outside the Greenville city limits.

Sec. 3. The Greenville Utilities Commissioners otherwise than as herein provided shall be appointed by the City Council at their regularly monthly meeting in June of each year. It is the intention of this charter that the City Council shall appoint Greenville Utilities Commission members who have utilities expertise. Representation should include some members with financial, engineering, environmental, technical, or development backgrounds. The two members of the Greenville Utilities Commission residing outside the city limits shall be nominated by the Pitt County Board of Commissioners and appointed by the City Council. The City Council has the right to reject any nominee(s) from the Pitt County Board of Commissioners and to request additional nominees. If the Pitt County

Board of Commissioners fails to recommend a nominee to the City Council within 60 days of the original date requested by the City Council, then the City Council may appoint any individual meeting the residency requirement. No person shall be eligible for appointment to the Greenville Utilities Commission who is an officer or employee of the City or Pitt County except that the City Manager of the City of Greenville shall at all times be a full member of the Greenville Utilities Commission. In the event a Greenville Utilities Commissioner resigns, dies, or otherwise becomes incapable of performing his or her duties, the City Council shall appoint, according to the same process described herein for regular appointments, a Greenville Utilities Commissioner to fill the unexpired term at any regular or special meeting of the City Council. Any Greenville Utilities Commissioner filling an unexpired term shall be deemed to have filled said term for the full three-year term. Except as otherwise permitted herein, no Greenville Utilities Commissioner shall serve more than two three-year terms. Greenville Utilities Commissioners filling the first three-year term will automatically fill a second three-year term unless the City Council initiates the replacement process.

Sec. 4. The Greenville Utilities Commissioners shall organize by electing one of their members Chair, whose term of office as Chair shall be for one year unless the Chair's term on the Greenville Utilities Commission shall expire earlier, in which event his or her term as Chair shall expire with the Chair's term on the Greenville Utilities Commission. The Chair shall not be entitled to vote on any proposition before the Greenville Utilities Commission except in case of a tie vote and only for the purpose of breaking the tie. The members of the Greenville Utilities Commission are authorized to fix their own salaries provided, however, that said salaries shall not exceed one hundred fifty dollars ($150.00) per month for the members and two hundred fifty dollars ($250.00) per month for the Chair provided, however, the City Council may, at its own discretion, increase these caps from time to time as is appropriate to reflect inflation, and provided, however, the City Manager shall receive no pay as a member of the Greenville Utilities Commission other than his or her salary as City Manager. The Greenville Utilities Commission shall meet at least once each month at a designated time and place unless the Chair designates some other meeting time and so notifies the other members of the Greenville Utilities Commission. The Greenville Utilities Commission and the Greenville City Council shall meet at least once each year to discuss mutual interests of the City of Greenville and the Greenville Utilities Commission. Minutes shall be kept for all regular meetings of the Greenville Utilities Commission.

Sec. 5. The Greenville Utilities Commission shall have entire supervision and control of the management, operation, maintenance, improvement, and extension of the public utilities of the City, which public utilities shall include electric, natural gas, water, and sewer services, and shall fix uniform rates for all services rendered; provided, however, that any person affected by said rates may appeal from the decision of the Greenville Utilities Commission as to rates to the City Council. With approval by the City Council, the Greenville Utilities Commission may undertake any additional public enterprise service which may lawfully be operated by a municipality.

Sec. 6. The Greenville Utilities Commission shall employ a competent and qualified General Manager whose duties shall be to supervise and manage the said public utilities, subject to the approval of the Greenville Utilities Commission. The General Manager, under the direction of and subject to the approval of the Greenville Utilities Commission, shall cause the said utilities to be orderly and properly conducted; the General Manager shall provide for the operation, maintenance, and improvement of utilities; the General Manager shall provide for the extension of all utilities, except sewer extensions made beyond the area regulated by the City of Greenville are subject to the approval of the City Council, and shall furnish, on application, proper connections and service to all citizens and inhabitants who make proper application for the same, and shall in all respects provide adequate service for the said utilities to the customers thereof; the General Manager shall attend to all complaints as to defective service and shall cause the same to be remedied, and otherwise manage and control said utilities for the best interests of the City of Greenville and the customers receiving service, and shall provide for the prompt collection of all rentals and charges for service to customers and shall promptly and faithfully cause said rentals and charges to be collected and received, all under such rules and regulations as the Greenville Utilities Commission shall, from time to time, adopt and in accordance with the ordinances of the City of Greenville in such case made and provided.

Sec. 7. All monies accruing from the charges or rentals of said utilities shall be deposited into the appropriate enterprise fund of the Greenville Utilities Commission and the Greenville Utilities Commission's Director of Finance shall keep an account of the same. The Greenville Utilities Commission shall at the end of each month make a report to the City Council of its receipts and disbursements; the Greenville Utilities Commission shall pay out of its receipts the cost and expense incurred in managing, operating, improving, maintaining, extending, and planning for future improvements and expansions of said utilities; provided, however, that should the funds

arising from the charges and rentals of said utilities be insufficient at any time to pay the necessary expenses for managing, operating, improving, and extending said utilities, then and in that event only, the City Council of the City of Greenville shall provide and pay into the appropriate enterprise fund of the Greenville Utilities Commission a sum sufficient, when added to the funds that have accrued from the rents and charges, to pay the costs and expenses of managing, operating, improving, maintaining, extending, and planning for future improvements and expansions of said utilities; the Greenville Utilities Commission shall pay the principal on all such funds provided by the City Council with interest thereon; provided, further, that the Greenville Utilities Commission shall annually transfer to the City, unless reduced by the City Council, an amount equal to six percent (6%) of the difference between the electric and natural gas system's net fixed assets and total bonded indebtedness plus annually transfer an amount equal to fifty percent (50%) of the Greenville Utilities Commission's retail cost of service for the City of Greenville's public lighting. Public lighting is defined herein to mean City of Greenville street lights and City of Greenville Parks and Recreation Department recreational outdoor lighting. The preparation of a joint financial audit of the City of Greenville and the Greenville Utilities Commission operations by a single auditing firm is intended under the provisions of this charter and existing North Carolina statutes.

Sec. 8. In compliance with the time requirements of Chapter 159 of the General Statutes, the Greenville Utilities Commission shall prepare and submit to the City Council, for approval, a budget for the coming year showing its estimated revenue, expenses, capital expenditures, debt service, and turnover to the City of Greenville. In addition, the budget ordinance must identify construction projects of the Greenville Utilities Commission which include individual contracts in excess of one-half of one percent (½%) of the Greenville Utilities Commission's annual budget. City Council approval of the Greenville Utilities Commission's budget will constitute approval of projects so identified and the contracts contained therein. Contracts in excess of one-half of one percent (½%) of the Greenville Utilities Commission's annual budget not so identified and approved in the budget ordinance will require separate City Council approval.

Sec. 9. The Greenville Utilities Commission shall approve the employment and remuneration of all officers, agents, independent contractors, and employees necessary and requisite to manage, operate, maintain, improve, and extend the service of said utilities. It is, however, the intention of this Charter that the Greenville Utilities Commission and the City of Greenville will implement and maintain mutual pay plans, personnel policies, and benefits for their respective

employees. The Greenville Utilities Commission may require bond in such sum as it may deem necessary, which shall be approved by the City Council, of all officers, agents, and employees having authority to receive money for the Greenville Utilities Commission. The Greenville Utilities Commission shall have the authority to name and designate a person in its employ as secretary of the Greenville Utilities Commission.

Sec. 10. The Greenville Utilities Commission shall have authority at all times to discharge and remove any officer, agent, independent contractor, or employee of the Greenville Utilities Commission.

Sec. 11. All laws and clauses of laws in conflict with this act are hereby repealed, expressly including Chapter 146 of the Public-Local Laws of 1941, entitled "AN ACT TO PROVIDE A PERMANENT UTILITIES COMMISSION FOR THE CITY OF GREENVILLE, IN PITT COUNTY, AND TO REPEAL CHAPTER TWO HUNDRED AND ELEVEN OF THE PRIVATE LAWS OF ONE THOUSAND NINE HUNDRED AND FIVE, AND AMENDMENTS THERETO, RELATING TO THE WATER AND LIGHT COMMISSION OF THE CITY OF GREENVILLE.", except that this act does not revive any act repealed by that act.

The purpose of this act is to revise the charter of the Greenville Utilities Commission and to consolidate herein certain acts concerning the Greenville Utilities Commission. It is intended to continue without interruption those provisions of prior acts which are consolidated into this act so that all rights and liabilities that have accrued are preserved and may be enforced. This act shall not be deemed to repeal, modify, or in any manner affect any act validating, confirming, approving, or legalizing official proceedings, actions, contracts, or obligations of any kind.

No provision of this act is intended nor shall be construed to affect in any way any rights or interest, whether public or private:

(1) Now vested or accrued in whole or in part, the validity of which might be sustained or preserved by reference to law to any provisions of law repealed by this act.

(2) Derived from or which might be sustained or preserved in reliance upon action heretofore taken pursuant to or within the scope of any provisions of law repealed by this act.

All existing ordinances of the City of Greenville and all existing rules and regulations of the Greenville Utilities Commission not inconsistent with provisions of this act shall continue in full force and effect until repealed, modified, or amended.

No action or proceeding of any nature, whether civil or criminal, judicial or administrative, or otherwise pending at the effective date of

this act by or against the City of Greenville or the Greenville Utilities Commission shall be abated or otherwise affected by the adoption of this act. If any provisions of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 12. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1087 **CHAPTER 862**

AN ACT TO CREATE A NEW OFFENSE OF THIRD DEGREE TRESPASS IN ROWAN COUNTY.

The General Assembly of North Carolina enacts:

Section 1. (a) Offense. -- A person commits the offense of third degree trespass if, without written authorization, he enters or remains on the premises of another for the purpose of hunting, fishing, trapping, loitering, or operating an all-terrain vehicle.

(b) Classification. -- Third degree trespass is a misdemeanor punishable by imprisonment for up to 30 days, a fine up to two hundred dollars ($200.00), or both.

Sec. 2. This act applies only to Rowan County.

Sec. 3. This act becomes effective October 1, 1992, and applies to offenses occurring on or after that date.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1101 **CHAPTER 863**

AN ACT TO INCREASE THE MEMBERSHIP OF THE NASH COUNTY ALCOHOLIC BEVERAGE CONTROL BOARD FROM THREE TO FIVE MEMBERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-700(a) reads as rewritten:

"(a) Membership. -- ~~A local ABC board shall consist of three members appointed for three-year terms, unless a different membership or term is provided by a local act enacted before the effective date of this Chapter, or unless the board is a board for a merged ABC system under G.S. 18B-703 and a different size membership has been provided for as part of the negotiated merger.~~

~~One member of the initial board of a newly created ABC system shall be appointed for a three-year term, one member for a two-year term, and one member for a one-year term.~~ The Nash County Alcoholic Beverage Control Board shall consist of five members appointed for three-year terms. The three members appointed prior to the effective date of this act shall complete their terms as appointed. The two new members appointed after the effective date of this act shall be appointed for three-year terms. As the terms of ~~initial~~ board members expire, their successors shall each be appointed for three-year terms. The appointing authority shall designate one member of the local board as chairman."

Sec. 2. This act applies to Nash County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1125 **CHAPTER 864**

AN ACT TO PROVIDE THAT FRANKLIN AND NORTHAMPTON COUNTIES ARE AUTHORIZED TO CONSTRUCT GAS LINES.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 433 of the 1985 Session Laws, as amended by Chapter 839 of the 1989 Session Laws and by Chapter 13 of the 1991 Session Laws, reads as rewritten:

"Sec. 3. This act applies only to Stanly County, except that Section 1 also applies to ~~Bladen and Sampson~~ Bladen, Franklin, Northampton and Sampson Counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1133 **CHAPTER 865**

AN ACT TO ALLOW JOHNSTON COUNTY TO ACQUIRE PROPERTY FOR USE BY ITS BOARD OF EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 885 of the 1989 Session Laws, as amended by Chapters 120 and 533 of the 1991 Session Laws, reads as rewritten:

"Sec. 2. This act applies only to Bladen, Columbus, Johnston, Pender, Sampson, and Richmond Counties."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 1149 **CHAPTER 866**

AN ACT TO ALLOW MONTGOMERY COUNTY TO ESTABLISH VOTING PRECINCTS WITHOUT REGARD TO TOWNSHIP BOUNDARIES.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding the provisions of G.S. 163-128, a county board of elections may divide a county into precincts for the purpose of voting without regard to township boundaries.

Sec. 2. This act applies to Montgomery County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1320 **CHAPTER 867**

AN ACT TO CLARIFY THAT THE SCRAP TIRE DISPOSAL TAX DOES NOT APPLY TO NEW TIRES PLACED ON NEWLY MANUFACTURED VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-187.18 reads as rewritten:

"*§ 105-187.18. Exemptions.*

The taxes imposed by this Article do not apply to:

(1) Bicycle tires and other tires for vehicles propelled by human power.

(2) Recapped tires.

(3) Tires sold for placement on newly manufactured vehicles.

The exemptions in G.S. 105-164.13 and the refunds allowed in G.S. 105-164.14 do not apply to the taxes imposed by this Article."

Sec. 2. This act becomes effective July 15, 1992, and applies to tires sold on or after that date.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1335 **CHAPTER 868**

AN ACT TO LIMIT THE LIABILITY OF FARMERS WHO ALLOW GLEANING.

The General Assembly of North Carolina enacts:

Section 1. Chapter 106 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 57A.

"Civil Liability of Farmers.

"§ *106-706. Exemption from civil liability for farmers permitting gleaning.*

Any farmer, as an owner, lessee, occupant, or otherwise in control of land, who allows without compensation another person to enter upon the land for the purpose of removing any crops remaining in the farmer's fields following the harvesting of the crops, owes that person the same duty of care the farmer owes a trespasser."

Sec. 2. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1361 **CHAPTER 869**

AN ACT TO CREATE AN EDUCATIONAL LEADERSHIP TASK FORCE TO IDENTIFY HOW TO BEST SELECT, TRAIN, EVALUATE, ASSESS, AND REGULATE THE STATE'S EDUCATIONAL LEADERS.

The General Assembly of North Carolina enacts:

Section 1. Establishment and Purpose. There is established the Educational Leadership Task Force. The purpose of the Task Force is to identify how to best select, train, assess, and regulate persons to become competent, motivated, and trusted education leaders. The term "education leaders" includes superintendents, central office program directors, principals, and assistant principals.

Sec. 2. Membership. The Task Force shall consist of 18 members. Task Force members shall receive per diem, subsistence, and travel allowances in accordance with G.S. 138-5, 138-6, or 120-3.1, as appropriate. Appointments to the Task Force shall be made within 30 days of ratification of this legislation. Except as otherwise provided, if a vacancy occurs in the membership, the appointing authority shall appoint another person to serve for the balance of the unexpired term. Appointments shall be made as follows:

(1) Two members of the State Board of Education appointed by the State Board chair. One of these two members shall be designated cochair of the Task Force by the State Board chair.

(2) Two members of the Board of Governors of The University of North Carolina appointed by the chair of that board.

One of these two members shall be designated cochair of the Task Force by the chair of the Board of Governors.

(3) Two Senate members appointed by the President Pro Tempore.

(4) Two House members appointed by the Speaker of the House.

(5) One dean of a school of education appointed by the President of The University of North Carolina.

(6) Two representatives, one from each of two professional schools, to be appointed by the President of The University of North Carolina. Professional schools may include schools of Business, Public Administration, Law, or Medicine.

(7) The State Superintendent of Public Instruction, or a designee appointed by the Superintendent. The appointment shall remain for the duration of the Task Force with the individual who is Superintendent at the time of the creation of the Task Force.

(8) The Teacher of the Year, chosen by the Department of Public Instruction through its Teacher of the Year program. The appointment shall remain for the duration of the Task Force with the individual who is Teacher of the Year at the time of the creation of the Task Force. If that person is unable to serve, a North Carolina teacher chosen by the cochairs shall fill the vacancy.

(9) The Principal of the Year, chosen by the Department of Public Instruction through its Principal of the Year program. The appointment shall remain for the duration of the Task Force with the individual who is Principal of the Year at the time of the creation of the Task Force. If that person is unable to serve, a North Carolina principal chosen by the cochairs shall fill the vacancy.

(10) The Superintendent of the Year, chosen by the North Carolina Association of School Superintendents through its Superintendent of the Year program. The appointment shall remain for the duration of the Task Force with the individual who is the Superintendent of the Year at the time of the creation of the Task Force. If that person is unable to serve, a North Carolina superintendent chosen by the cochairs shall fill the vacancy.

(11) One member to represent business and industry appointed by the Governor.

(12) One local school board member appointed by the Chair of the State Board.

(13) One parent of a public school child appointed by the State Superintendent of Public Instruction.

Sec. 3. Cochairs. The cochairs shall belong to different political parties. The State Board chair and the chair of the Board of Governors shall consult to determine which of them shall appoint the cochair who belongs to the party to which the majority of registered voters belong and which of them shall appoint the cochair who belongs to the party to which the largest minority of registered voters belong.

Sec. 4. Staff. The Task Force cochairs may contract for professional, clerical, or consultant services. Facilitation of the work of the Task Force may be contracted to an individual who has an excellent national reputation in the area of educational leadership and modern management principles. Professional and clerical staff positions for the Task Force may be filled by persons whose services are loaned to the Task Force to fulfill the work of the Task Force.

Sec. 5. Space and Equipment. The General Administration of The University of North Carolina shall provide meeting rooms, telephone, office space, equipment, and supplies to the Task Force without charge.

Sec. 6. Duties, Issues for Study. The Task Force shall study issues related to the training of education leaders, including superintendents, central office program directors, principals, and assistant principals. Issues for study by the Task Force shall include:

(1) Key characteristics of educational leadership, including the knowledge, skills, and attitudes necessary to lead schools to high gains in student learning;

(2) Entrance standards, methods to recruit and screen applicants, curriculum design, instructional delivery, and the quality controls needed to continually improve educational leadership programs;

(3) Comprehensive strategies to restructure administrator preparation. The Task Force shall investigate varied methods of instructional delivery to be used in educational leadership programs including collaborative, interdisciplinary, and practice-based models, and use of the case method;

(4) Incentives, including stipends and other methods, to attract the best possible candidates to educational leadership programs;

(5) Methods to restructure university resources to assure cost efficiency and quality. Educational leadership programs provided by any institution shall be of the highest priority to that institution;

(6) Collaborative roles of those contributing to educational leadership training including: the universities, local school systems, the Department of Public Instruction, the Principals Executive Program, business and industry, and the professional associations;

(7) Consideration of certification, licensure, and other methods to regulate the profession and to promote excellence in educational leadership. Credentials awarded should be based on performance which exhibits knowledge of State programs, State standards, and effective leadership skills;

(8) Whether certification or licensing should be periodically reevaluated throughout an education leader's career;

(9) Use of assessment centers, evaluation panels, testing, and practice-based measures to evaluate the quality of practicing and potential education leaders;

(10) Methods to maintain rigorous, high quality professional development that may continue throughout the education leader's career;

(11) Hiring practices of local school administrative units and recommendations to encourage the identification and recruitment of quality candidates who demonstrate leadership potential. Active recruitment of minorities and females;

(12) Developmental training and support for first year principals, assistant principals, and superintendents; and

(13) Supply and demand trends for administrators over the next 10 years.

Sec. 7. Report. The Task Force shall make its final report and recommendations to the Joint Legislative Education Oversight Committee no later than February 15, 1993, and shall terminate on that date.

Sec. 8. Upon the request of the Task Force, all State departments and agencies, all local governments and their subdivisions, and all institutions approved to train public school administrators shall furnish the Task Force with any information in their possession or available to them.

Sec. 9. Of the funds appropriated to the Department of Public Education for aid to local school administrative units for the 1992-93 fiscal year, up to the sum of sixty thousand dollars ($60,000) shall be used to conduct the work of the Task Force. Of the funds appropriated to the Department of Public Instruction for the 1992-93 fiscal year, up to the sum of sixty thousand dollars ($60,000) shall be used to conduct the work of the Task Force.

Section 10. Effective upon ratifaction

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1406 **CHAPTER 870**

AN ACT TO DIVIDE THE FLATWOODS FIRE DISTRICT IN HARNETT COUNTY INTO TWO FIRE DISTRICTS--THE FLATWOODS RURAL FIRE DISTRICT AND THE BUNNLEVEL RURAL FIRE INSURANCE DISTRICT.

The General Assembly of North Carolina enacts:

Section 1. The Flatwoods Fire District in Harnett County is divided into two fire districts:

(1) There is created a Flatwoods Rural Fire District which shall include the following area:

Beginning at point (1) at the southeastern corner of the City Limits of the Town of Lillington; thence in a southeasterly direction to point (2) on Road 2016, 1.75 miles north of its intersection with Road 2021; thence in a southeasterly direction along the course of the Cape Fear River to point (3) where Thornton's Creek empties into the Cape Fear River; thence in a southerly direction to point (4) on Road 2021, 1.4 mile east of its intersection with Road 2016; thence in a southerly direction to point (5) on Road 1779, 0.9 mile east of its intersection with Road 2024; thence in a southerly direction to point (6) on Road 2026, 1.1 mile east of its intersection with Road 2024; thence in a southwesterly direction to point (7) at the intersection of Road 2027 and Road 2024; thence in a southwesterly direction to point (8) at the intersection of the Southern Railway and Harnett-Cumberland County Line, excluding all property on NC Highway 217 between this and the preceding point; thence along the Harnett-Cumberland County Line to point (9) on Road 2031, at its intersection with the Harnett-Cumberland County Line; thence in a northwesterly direction to point (10) on Road 2044, 0.4 mile west of its intersection with Road 2031; thence in a northwesterly direction to point (11) on Road 2039, 1.9 miles west of its intersection with Road 2031; thence in a northerly direction to point (12) on Road 2042, 0.5 mile northeast of its intersection with Road 2039; thence in a northerly direction along the centerline of Road 2042 to point (13) at its intersection with Road 2030; thence in a northerly direction to point (14) on Road 2072, 2.9 miles northeast of its intersection with Road 2033; thence in a northwesterly direction to point (15) on NC Highway 210 at the Upper Little River Bridge; thence in a northeasterly direction following the centerline of NC Highway 210 to point (16) at the Lillington City

Limits; thence in an easterly direction along the City Limits of Lillington to point (1), the beginning.

(2) There is created a Bunnlevel Rural Fire Insurance District which shall include the following area:

Beginning at point (1) at the Upper Little River Bridge on US Highway 401; thence easterly along the Upper Little River to point (2) at the Upper Little River Bridge on Road 2016; thence southeasterly to point (3) on Road 1779, 0.9 mile east of its intersection with Road 2024; thence southerly to point (4) on Road 2026, 1.1 mile east of its intersection with Road 2024; thence southwesterly to point (5) at the intersection of Road 2027 and Road 2024; thence southwesterly to point (6) at the intersection of the Southern Railway and Harnett-Cumberland County Line, excluding all property on NC Highway 217 between this and preceding point; thence along the Harnett-Cumberland County line to point (7) on Road 2031, at its intersection with the Harnett-Cumberland County Line; thence northwesterly to point (8) on Road 2044, 0.4 mile west of its intersection with Road 2031; thence northwesterly to point (9) on Road 2039, 1.9 miles west of its intersection with Road 2031; thence northerly to point (10) on Road 2042, 0.5 mile northeast of its intersection with Road 2039; thence northerly along the centerline of Road 2042 to point (11) at its intersection with Road 2030; thence northerly to point (12) on Road 2072, 2.9 miles northeast of its intersection with Road 2033; thence southeasterly to point (13) on Road 2072, 1.4 miles northwest of its intersection with Road 2033, including all property on Road 2072 between this and the preceding point; thence southeasterly along the centerline of Road 2072, to point (14) at its intersection with Road 2032; thence northeasterly along the centerline of Road 2032 to point (15) at its intersection with US Highway 401; thence northerly along the centerline of US Highway 401 to point (1), the beginning.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1499 **CHAPTER 871**

AN ACT AUTHORIZING THE APPOINTMENT OF A SPECIAL BOARD OF EQUALIZATION AND REVIEW FOR DURHAM COUNTY.

The General Assembly of North Carolina enacts:

Section 1. The Durham County Board of Commissioners may appoint a special board of equalization and review for Durham County, as provided in G.S. 105-322(a). The board shall consist of

not less than five nor more than nine members. Should a special board of equalization and review not be appointed, the board of county commissioners shall comprise the board of equalization and review and shall have the powers and duties provided in G.S. 105-322.

Sec. 2. Members of the board of equalization and review of Durham County shall receive compensation, take oaths, hold meetings, take minutes of meetings, and provide notice of meetings and adjournments as provided in G.S. 105-322(b), (c), (d), (e), and (f).

Sec. 3. The board of equalization and review of Durham County shall possess the powers and duties enumerated in G.S. 105-322. In addition to these powers and duties, the board of equalization and review of Durham County shall have the following additional powers and authority:

(1) Revaluation Years Panels. In any revaluation year, the chair of the board of equalization and review may divide the board into a maximum of three separate panels with a minimum of three board members for each panel. The assignment of board members to any particular panel may be interchanged during the year.

(2) Minutes of Panel Meetings. In the event the chair exercises the right to divide the board into panels, the assessor of Durham County shall designate one or more deputies to be present at panel meetings at which the assessor cannot be present for the purpose of recording accurate minutes as provided in G.S. 105-322(d).

(3) Panel Quorum, Decisions, and Appeals. At meetings of separate panels, a majority of the members of each panel constitutes a quorum and a decision by the panel is considered a decision of the board. Appeals from decisions of a panel may be made, as an appeal from the board, directly to the Property Tax Commission, except that in any case where the three-member panel votes 2-1, the taxpayer has an automatic right of appeal to the board of equalization and review sitting **en banc**, and thereafter, if necessary, to the Property Tax Commission.

Sec. 4. This act applies only to Durham County.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1504 **CHAPTER 872**

AN ACT TO AUTHORIZE PITT COUNTY TO CREATE RESCUE/EMERGENCY MEDICAL SERVICES PROTECTION DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 69 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 3B.

"Rescue/EMS Protection Districts.

"*§ 69-25.18. Definitions.*

The following definitions apply in this Article:

(1) EMS. -- Emergency Medical Services.

(2) Rescue/EMS protection. -- Emergency medical, rescue, and ambulance services to protect persons from injury and death.

"*§ 69-25.19. Election to authorize rescue/EMS protection district.*

Upon the petition of thirty-five percent (35%) of the resident freeholders living in an area outside the corporate limits of a municipality, which area is described in the petition and designated as 'Rescue/EMS Protection District,' the board of commissioners of a county shall call an election in the district to submit to the qualified voters of the district the question of whether to levy a special tax on all taxable property in the district, at a rate not to exceed fifteen cents (15¢) per one hundred dollars ($100.00) valuation of property, to provide rescue/EMS protection in the district. If the voters reject the special tax, no new election may be held on that question within two years in that district or in a proposed district that includes a majority of the land within the district in which the tax was rejected.

If the area petitioning for an election lies in more than one county, the petition must be submitted to the board of commissioners of each county in which the area lies. The election shall be conducted jointly by the counties in which the area lies; the counties shall share equally the costs of conducting the election. If a district is created, each county in which the district is located shall levy and collect the tax in the part of the district that is located in that county. References in this Article to a county apply to each county in which a district is located.

"*§ 69-25.20. Conduct of election.*

The board of commissioners, after consulting with the county board of elections, shall by resolution set a date for the election. The county board of elections shall advertise and conduct the election in the district in accordance with this Article and with Chapter 163 of the General Statutes. No new registration of voters is required, but the deadline by which unregistered voters must register shall be stated in

the legal advertisement to be published by the county board of elections. The cost of holding the election shall be paid by the county. If the district is established, the county shall reimburse itself the cost of the election from the taxes levied in the district.

"§ 69-25.21. *Levy of tax for rescue/EMS protection.*

If a majority of the qualified voters voting at the election vote in favor of levying a tax in the proposed district, the board of commissioners shall by resolution levy an annual tax in the district in the amount it considers necessary, not exceeding fifteen cents (15¢) per one hundred dollars ($100.00) valuation of property. The county shall collect that tax and credit the tax proceeds to a special fund to be used only to furnish rescue/EMS protection in the district.

"§ 69-25.22. *Methods of providing rescue/EMS protection.*

The county shall, to the extent of the rescue/EMS protection taxes collected, provide rescue/EMS protection for the district in one or more of the following ways. G.S. 153A-250 applies to a county that provides ambulance services for a rescue/EMS protection district.

(1) By contracting with a municipality or with any incorporated nonprofit volunteer or community rescue/EMS department.

(2) By furnishing rescue/EMS protection itself, if it maintains an organized rescue/EMS department.

(3) By establishing a rescue/EMS department in the district.

"§ 69-25.23. *Municipalities may contract.*

Municipalities may make contracts to carry out the purposes of this Article.

"§ 69-25.24. *Administration of rescue/EMS fund.*

The county shall administer the rescue/EMS fund to provide rescue/EMS protection in the district. The county may appoint a rescue/EMS protection district commission to administer the fund as the county's agent. The county shall appoint three qualified voters of the district as members of the commission to serve for a term of two years. Members of the commission shall serve at the discretion of and under the supervision of the board of commissioners. If the district is located in more than one county, the board of commissioners of each county in which the district is located shall act jointly to administer the fund or appoint and supervise a rescue/EMS protection district commission.

"§ 69-25.25. *Authority and immunity of county, municipality, and district.*

A county, municipality, or rescue/EMS protection district performing services authorized by this Article has the same authority and immunities as a county enjoys in operating a county rescue/EMS department in the county and a municipality enjoys in operating a rescue/EMS department in the municipality. A municipality is not

liable for damage caused by the absence from the municipality of any or all of its rescue/EMS equipment or of members of its rescue/EMS department to perform services authorized by this Article. Members of a county, municipal, or district rescue/EMS department have all of the immunities, privileges, and rights, including coverage by workers' compensation insurance, when performing any of the functions authorized by this Article, as members of a county rescue/EMS department have in performing their duties in and for the county and as members of a municipal rescue/EMS department have in performing their duties in and for the municipality.

"§ *69-25.26. Abolishing a rescue/EMS protection district.*

Upon a petition of fifteen percent (15%) of the resident freeholders of a rescue/EMS protection district, at intervals of not less than two years, the county shall call an election to abolish the special tax for rescue/EMS protection for the district. The election shall be conducted as provided in G.S. 69-25.20. The cost of an election to abolish a rescue/EMS protection district shall be paid from the funds of the district. If a majority of the registered voters vote to abolish the tax, the county shall stop levying and collecting the tax. If any tax proceeds remain in the special fund, they shall be transferred to the general fund of the county that collected them. Any property of the district or the proceeds of the property shall be distributed, used, or disposed of equitably by the county.

"§ *69-25.27. Changes in area of district.*

(a) Increase. -- The area of a rescue/EMS protection district may be increased by including within the boundaries of the district any adjoining territory upon the following:

(1) Application by a two-thirds majority of the owners of the territory to be included;

(2) Unanimous recommendation in writing of the rescue/EMS protection commissioners of the district;

(3) Approval by a majority of the members of the board of directors of the corporation furnishing rescue/EMS protection to the district; and

(4) Approval by the board of commissioners of each county in which the rescue/EMS protection district is located.

Before the county approves the rescue/EMS protection district increase, it must hold a public hearing on the question after at least 15 days' public notice of the hearing. A notice must be published once a week for two successive calendar weeks in a newspaper having general circulation in the district and notices must be posted at the courthouse door and at three public places in the area to be included in the district.

(b) Decrease. -- The area of a rescue/EMS protection district may be decreased by removing any territory, upon the following:

(1) Application by the owners of the territory to be removed;

(2) Unanimous recommendation in writing of the rescue/EMS protection commissioners of the district;

(3) Approval by a majority of the members of the board of directors of the corporation furnishing rescue/EMS protection to the district; and

(4) Approval by the board of commissioners of each county in which the district is located.

(c) Modify Adjoining Districts With Same Tax Rate. -- The boundaries between adjoining rescue/EMS districts that have in effect the same rate of tax for rescue/EMS protection may be relocated upon the following:

(1) Petition of the rescue/EMS protection commissioners;

(2) Petition of the boards of directors of the corporations furnishing rescue/EMS protection in the districts affected; and

(3) Approval by resolution of the board of commissioners of each county in which the district is located.

Upon receipt of these petitions, the board of commissioners shall set a date and time for a public hearing on the question and shall give at least 15 days' public notice of the hearing. A notice must be published once a week for two successive calendar weeks in a newspaper having general circulation in the district and notices must be posted at the courthouse door and at three public places in the area to be included in the district. The county may adjourn the hearing; if it does, no further notice is required of the adjourned hearing. The relocation of a district boundary becomes effective on the first day of the next fiscal year after adoption of the resolution making the relocation.

(d) Modify Adjoining Districts With Different Tax Rates. -- The boundaries between adjoining rescue/EMS districts that have in effect a different rate of tax for rescue/EMS protection may be relocated upon the following:

(1) Petition of two-thirds of the owners of the territory involved;

(2) Approval by the rescue/EMS protection commissioners and the boards of directors of the corporations furnishing rescue/EMS protection in the districts affected; and

(3) Approval by resolution of the board of commissioners of each county in which the district is located.

Upon receipt of a petition, the board of commissioners shall set a date and time for a public hearing on the question and shall give at least 15 days' public notice of the hearing. A notice must be

published once a week for two successive calendar weeks in a newspaper having general circulation in the district and notices must be posted at the courthouse door and at three public places in the area to be included in the district. The county may adjourn the hearing; if it does, no further notice is required of the adjourned hearing. The relocation of a district boundary becomes effective on the first day of the next fiscal year after adoption of the resolution making the relocation.

"*§ 69-25.28. Annexation of district by municipality.*

(a) Contract with Municipality. -- When all or part of a rescue/EMS protection district becomes a part of a municipality, the governing body of the district may contract with the municipality to convey to the municipality, with or without consideration, on terms that the governing body of the district shall deem to be in the best interests of the inhabitants of the district, any of its property, including any rescue/EMS equipment or facilities. The governing body of the district may contract with the municipality for rescue/EMS protection to be furnished by the municipality or by the district.

(b) Effect of Annexation. -- When all or part of a rescue/EMS protection district is annexed by a municipality that furnishes rescue/EMS protection to its citizens, the part of the district annexed is no longer part of the rescue/EMS protection district. The board of commissioners may, however, levy and collect taxes for rescue/EMS protection in the part of the rescue/EMS protection district not annexed by the municipality.

(c) Reimbursement of Prorated Rescue/EMS Tax. -- When all or part of a rescue/EMS protection district is annexed by a municipality, and the effective date of the annexation is a date other than a date in the month of June, the municipality shall pay to taxpayers in the annexed area a reimbursement of the prorated amount of rescue/EMS protection tax paid by them for the fiscal year in which municipal taxes are prorated under G.S. 160A-58.10. The amount to be reimbursed to each taxpayer shall be determined by multiplying the amount of rescue/EMS taxes paid by the taxpayer for the fiscal year by a fraction, the denominator of which is 12 and the numerator of which is the number of full calendar months remaining in the fiscal year following the day on which the annexation becomes effective. The reimbursement shall be paid within 90 days after the effective date of the annexation. The tax supervisor or tax collector of each county in which the area is located shall furnish to the municipality a list of the owners of the property on which rescue/EMS protection taxes were levied in the annexed area and any other information the municipality requires to make the reimbursement provided in this subsection.

(d) Source of Funds for Reimbursement. -- The municipality shall pay for the reimbursement provided in subsection (c) with any funds not otherwise restricted by law. If the municipality has contracted to make payments to a rural rescue/EMS department under G.S. 160A-37.1 or G.S. 160A-49.1, the county shall pay the municipality from funds of the rescue/EMS protection district an amount equal to the amount to be paid by the municipality to the rural rescue/EMS department under G.S. 160A-37.1 or G.S. 160A-49.1 for the number of months in that fiscal year used in calculating the numerator under subsection (c) of this section. The amount the county must pay the municipality may not exceed the amount of the reimbursement payments made by the municipality pursuant to subsection (c)."

Sec. 2. This act applies only to Pitt County.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1512 **CHAPTER 873**

AN ACT TO PROVIDE FOR A UNIFORM MANDATORY RETIREMENT AGE OF SEVENTY-TWO FOR ALL JUDGES AND JUSTICES OF THE GENERAL COURT OF JUSTICE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-4.20 reads as rewritten:

"*§ 7A-4.20. Age limit for service as justice or judge: exception.*

No justice or judge ~~of the appellate division~~ of the General Court of Justice may continue in office beyond the last day of the month in which he attains his seventy-second birthday, ~~and no judge of the superior court or district court division of the General Court of Justice may continue in office beyond the last day of the month in which he attains his seventieth birthday,~~ but justices and judges so retired may be recalled for periods of temporary service as provided in subchapters II and III of this chapter."

Sec. 2. G.S. 135-57(b) reads as rewritten:

"(b) Any member who is a justice or judge ~~of the appellate division~~ of the General Court of Justice shall be automatically retired as of the first day of the calendar month coinciding with or next following the later of January 1, 1974, or his attainment of his seventy-second ~~birthday and each other member shall be automatically retired as of the first day of the calendar month coinciding with or next following the later of January 1, 1974, or his attainment of his seventieth~~ birthday; provided, however, that no judge who is a member on January 1, 1974, shall be forced to retire under the provisions of this

subsection at an earlier date than the last day that he is permitted to remain in office under the provisions of G.S. 7A-4.20."

Sec. 3. This act is effective upon ratification, and shall apply to judges or justices retiring on or after that date.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1546 **CHAPTER 874**

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE TOWN OF ST. PAULS.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the Town of St. Pauls is revised and consolidated to read:

"THE CHARTER OF THE TOWN OF ST. PAULS.

"ARTICLE I. INCORPORATION, CORPORATE POWERS, AND BOUNDARIES.

"Section 1.1. *Incorporation.* The Town of St. Pauls, North Carolina, and its inhabitants shall continue to be a municipal body politic and corporate, under the name of the 'Town of St. Pauls', also referred to as the 'Town'.

"Sec. 1.2. *Powers.* The Town has and may exercise all of the powers, duties, rights, privileges, and immunities conferred upon the Town of St. Pauls specifically by this Charter or upon municipal corporations by general law. The term 'general law' is employed herein as defined in G.S. 160A-1.

"Sec. 1.3. *Corporate Limits.* Until changed in accordance with law, the corporate limits are:

(1) Those established by Chapter 497 of the 1975 Session Laws effective July 1, 1975, as follows:

BEGINNING at a stake in a small branch, D.A. McGougan and L. A. McGeachy's corner, said stake being located 1 chain and 50 links due South of the West end of a small dam on said branch, said Beginning corner also being located South 40 degrees East 54 chains from the intersection of the North line of Broad Street with the centerline of the main line of the Virginia and Carolina Southern Railroad and running thence as the McGougan-McGeachy line North 2 degrees East 3399 feet to a 1/2 inch iron pipe in concrete at the edge of a large pocosin; thence North 80 degrees West 2267.25 feet to a railroad spike in the eastern edge of Railroad Street and in the western right-of-way (50 feet from center) of the Virginia and Carolina Southern Railroad; thence along said right-of-way North 21 degrees 30 minutes East 540.74 feet to a concrete monument in said

right-of-way; thence North 80 degrees West 1607.02 feet to a concrete monument in the western right-of-way (50 feet from center) of U.S. Highway 301, 5th Street Extended; thence as said right-of-way North 10 degrees 02 minutes East 1035 feet to a concrete monument in said right-of-way; thence North 81 degrees 33 minutes West 442.30 feet to a concrete monument in the line of a ditch, 4 feet North of and West of the School Fence; thence South 8 degrees 43 minutes West 606.00 feet to a concrete monument in the line of another ditch, 4 feet West of the School Fence; thence North 79 degrees 40 minutes West 454.85 feet to a concrete monument in the western right-of-way (30 feet from center) of the Old Stage Road; thence along said right-of-way North 6 degrees 35 minutes East 959.79 feet to a concrete monument in said right-of-way, the Southeastern corner of the N.C. National Guard Armory Lot and in the North line of Pool Street (25 feet from center) thence along and beyond the North line of Pool Street, crossing Wilkinson Drive North 82 degrees 58 minutes West 678.21 feet to a stake in the western right-of-way (30 feet from center) of Wilkinson Drive; thence North 83 degrees 43 minutes West 147.50 feet to a stake in a field; thence South 6 degrees 35 minutes West, parallel to Wilkinson Drive 969.51 feet to a stake in the North line of the Pete Ivey Residence Lot; thence along said line and beyond North 83 degrees 43 minutes West 197.50 feet to a stake in the West right-of-way (25 feet from center) of Bellevue Street; thence along said right-of-way South 6 degrees 35 minutes West 150.00 to a stake in the right-of-way of said Street, at its intersection with the North right-of-way (20 feet from center) of Britt Street; thence South 7 degrees 49 minutes West 675.19 feet to a stake in the North line of Shaw Street (25 feet from center); thence along the North line of said Street North 83 degrees 43 minutes West 400.91 feet to a stake in the north line of said street, at its intersection with the Eastern right-of-way (30 feet from center) of Sanford Street; thence along the Eastern right-of-way of Sanford Street North 6 degrees 58 minutes East 635.00 feet to a stake in said right-of-way; thence North 83 degrees 43 minutes West 589.30 feet to a new 1 inch iron pipe in the Eastern right-of-way (88 feet from center) of a ramp leading off of N. C. Highway 20 onto Interstate 95; thence along said right-of-way South 2 degrees 45 minutes East 179.73 feet to an existing concrete R/W monument, the P.T. of a curve in said right-of-way; thence along said curved right-of-way, the chord being South 8 degrees 36 minutes West 315.35 feet to a concrete monument in said curved right-of-way; thence continuing along said curved right-of-way, the chord being South 20 degrees 41 minutes West 12.77 feet to an existing concrete R/W monument, the P.C. of said curve; thence continuing along said right-of-way South 20 degrees 43 minutes West

330.39 feet to an existing concrete R/W monument; thence continuing along said right-of-way South 13 degrees 46 minutes East 216.30 feet to a concrete monument in the north right-of-way (70 feet from center) of N.C. Highway 20; thence along said right-of-way South 47 degrees 58 minutes East 356.59 feet to a concrete monument in said right-of-way, at its intersection with the Southeastern right-of-way (25 feet from center) of Sanford Street; thence along the Southeastern right-of-way of said street South 42 degrees 02 minutes West 40.00 feet to a concrete monument in said right-of-way, in the northeastern right-of-way (30 feet from center) of N.C. Highway 20; thence along said right-of-way South 47 degrees 58 minutes East 295.68 feet to a concrete monument in said right-of-way, the P.C. of a curve in said Highway; thence continuing along said curved right-of-way, the chord being South 48 degrees 26 minutes East 131.40 feet to a concrete monument in said right-of-way, at its intersection with the original western Corporate Limit line of the Town of St. Pauls; thence along said line South 10 degrees 00 minutes West 1002.58 feet to a concrete monument in a field west of Cumbo Branch; thence South 80 degrees 00 minutes East 2640.00 feet to a nail on the porch of the Dr. L. J. Moore residence; thence due South passing through a concrete monument in the South line of Sylvia Street at 2156.44 feet, continuing a total distance of 2256.44 feet to a stake at Highwater Mark on the North side of the Great Marsh Swamp; thence down the various courses of said Highwater Mark to and up the first mentioned small branch in an eastern direction to the Beginning; and

(2) All additional territory as has been duly added to the corporate limits under general law.

An official map of the Town, showing the current boundaries, shall be maintained permanently in the office of the Town Clerk and shall be available for public inspection. Immediately upon alteration of the corporate limits made pursuant to law, the appropriate changes to the official map shall be made and copies shall be filed in the office of the Secretary of State, the Robeson County Register of Deeds, and the Robeson County Board of Elections.

"ARTICLE II. GOVERNING BODY.

"Sec. 2.1. *Mayor and Board of Commissioners.* The Mayor and the Board of Commissioners, hereinafter referred to as the 'Board', comprise the governing body of the Town.

"Sec. 2.2. *Board of Commissioners; Composition; Terms of Office.* The Board is composed of six Commissioners elected by all the qualified voters of the Town for terms of four years or until their successors are elected and qualified. Three shall be elected in 1993

and quadrennially thereafter, and three shall be elected in 1995 and quadrennially thereafter.

"Sec. 2.3. *Mayor; Term of Office; Duties.* The Mayor is elected in 1993 and quadrennially thereafter by all the qualified voters of the Town for a term of four years and until a successor is elected and qualified.

"ARTICLE III. ELECTIONS.

"Sec. 3.1. *Regular Municipal Elections.* Regular municipal elections shall be held in each odd-numbered year in accordance with Chapter 163 of the General Statutes. Elections are conducted on a nonpartisan basis and the results determined using the nonpartisan plurality method as provided in G.S. 163-292.

"ARTICLE IV. ORGANIZATION AND ADMINISTRATION.

"Sec. 4.1. *Appointment of Certain Officers and Employees by Board of Commissioners; Duties, Salaries, etc., of These Officers and Employees Generally.* The Board may appoint a Town Clerk, a Town Treasurer, a Town Tax Collector, a Town Administrator, a Town attorney, a chief of police, a fire chief, and any other officers and employees as may be necessary, none of whom need be a resident of the town at the time of appointment. The Board may appoint one person to perform the duties of any two or more of these positions. The employees or officers shall serve at the pleasure of the Board, and shall perform any duties as may be prescribed by the Board. The Board shall fix all salaries, prescribe bonds, and require any oaths as it may deem necessary.

"Sec. 4.2. *Appointment and Powers and Duties Generally of Town Clerk and Town Administrator.* The Board shall choose a Town Clerk who shall keep the records of the board and perform any other duties as may be required by law or by the Board. In addition to appointing a Town Clerk, the Board may, in its discretion and by resolution duly adopted, appoint a Town Administrator or Town Manager as provided by general law who shall have any powers and duties as are conferred upon the Town Administrator or the Town Manager by the Board.

"Sec. 4.3. *Qualifications and Duties of Town Attorney.* The Town Attorney shall be an attorney at law who has practiced in the State of North Carolina for at least four years. The Town Attorney is the chief legal adviser of and attorney for the Town and all of the Town's departments and offices in matters relating to their official powers and duties. The Town Attorney or a designee shall perform all services incident to providing legal services to the town; attend all meetings of the Board when so requested; prosecute or defend, as the case may be, all suits or cases to which the Town may be a party; prepare or

review all contracts, bonds, and other instruments in writing in which the Town is concerned; and perform other duties imposed upon the Town Attorney by this Charter, by ordinance, or by resolution of the Board.

"Sec. 4.4. *Duties of Town Accountant.* The Town Accountant, or the Town Clerk, or the Town Manager or the Town Administrator, whichever shall apply, shall prepare the budget in accordance with the general local government laws of North Carolina relating to the preparation of municipal budgets. This person shall: (i) maintain accounting control over the finances of the Town, for which purpose this person may operate a set of general accounts embracing all the financial transactions of the Town, and any subsidiary accounts and cost records as may be required by ordinance or by the Board for purposes of administrative direction and financial control; (ii) prescribe the forms of receipts, vouchers, bills, or claims to be filed by all departments and agencies of the Town; (iii) examine and approve all contracts, orders, and other documents by which the Town incurs financial obligations, having ascertained before approval that moneys have been duly appropriated and allotted to meet these obligations and will become available when the obligations are due and payable; audit and approve bills, invoices, payrolls, and other evidences of claims, demands, or charges against the Town and determine the regularity and correctness of these claims, demands, or charges; (iv) make monthly reports on all receipts and expenditures of the Town to the Mayor and Board and make monthly reports on funds, appropriations, allotments, encumbrances, and authorized payments to the Mayor, the Board, and the head of the department or agency directly concerned; (v) inspect and audit any accounts or records of financial transactions that may be maintained by any department or agency of the Town apart from or subsidiary to the general accounts; and (vi) perform other duties pertaining to the financial records of the Town as the Board may require by ordinance.

"Sec. 4.5. *Duties of Town Tax Collector.* The Tax Collector, or a person who is designated by the Board to perform this function, shall collect all taxes, licenses, fees, and other moneys belonging to the Town, subject to this Charter and ordinances enacted under this Charter, and shall diligently comply with and enforce the general laws of North Carolina relating to the collection, sale, and foreclosure of taxes by municipalities. The Tax Collector shall deposit daily in the town depository all money belonging to the Town.

"Sec. 4.6. *Duties of Town Treasurer.* The Town Treasurer, or a person who is designated by the Board to perform this function, shall have custody of and shall disburse all moneys belonging to the Town subject to Chapter 159 of the General Statutes, shall have custody of

all investments and invested funds of the Town or in possession of the Town in a fiduciary capacity, and shall keep a record of these investments, and shall have custody of all bonds and certificates of Town indebtedness including any bonds and certificates unissued or canceled, and the receipt and delivery of Town bonds and certificates for transfer, registration, or exchange."

Sec. 2. The purpose of this act is to revise the Charter of the Town of St. Pauls and to consolidate certain acts concerning the property, affairs, and government of the Town. It is intended to continue without interruption those provisions of prior acts that are expressly consolidated into this act, so that all rights and liabilities that have accrued are preserved and may be enforced.

Sec. 3. This act does not repeal or affect any acts concerning the property, affairs, or government of public schools, or acts validating official actions, proceedings, contracts, or obligations of any kind.

Sec. 4. The following acts, having served the purposes for which they were enacted or having been consolidated into this act, are expressly repealed:

(1) Chapter 695 of the 1971 Session Laws, except for Section 2.

(2) Chapter 325 of the 1973 Session Laws.

(3) Chapter 497 of the 1975 Session Laws.

Sec. 5. The Mayor and Commissioners serving on the date of ratification of this act shall serve until the expiration of their terms. Thereafter those offices shall be filled as provided in Articles II and III of the Charter contained in Section 1 of this act.

Sec. 6. This act shall not affect any rights or interests that arose under any provisions repealed by this act.

Sec. 7. All existing ordinances, resolutions, and other provisions of the Town of St. Pauls not inconsistent with this act shall continue in effect until repealed or amended.

Sec. 8. No action or proceeding pending on the effective date of this act by or against the Town or any of its departments or agencies is abated or otherwise affected by this act.

Sec. 9. All contracts entered into by or for the benefit of the Town before the effective date of this Charter shall continue in full force and effect. Public improvements for which legislative steps have been taken under laws or Charter provisions existing at the time this Charter takes effect may be carried to completion in accordance with those laws and Charter provisions.

Sec. 10. The provisions of this act are severable. If any provision or application of this act is held invalid, the invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application.

Sec. 11. Whenever a reference is made in this act to a particular provision of the General Statutes, and that provision is later amended, superseded, or recodified, the reference is considered amended to refer to the amended General Statute, or to the General Statute that most clearly corresponds to the statutory provision that is superseded or recodified.

Sec. 12. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1567 **CHAPTER 875**

AN ACT TO EXEMPT SURRY COUNTY FROM CERTAIN STATUTORY REQUIREMENTS IN THE CONSTRUCTION OF AN ANIMAL SHELTER FACILITY.

The General Assembly of North Carolina enacts:

Section 1. The County of Surry may contract for the design and construction of a county animal shelter facility without being subject to the requirements of G.S. 143-128, 143-129, 143-131, and 143-132.

Sec. 2. This act is effective upon ratification and expires December 31, 1994.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1573 **CHAPTER 876**

AN ACT TO INCORPORATE THE TOWN OF BOARDMAN IN COLUMBUS COUNTY, SUBJECT TO A REFERENDUM.

The General Assembly of North Carolina enacts:

Section 1. A Charter for the Town of Boardman is enacted to read:

"CHARTER OF THE TOWN OF BOARDMAN.

"CHAPTER I.

"INCORPORATION AND CORPORATE POWERS.

"Section 1.1. *Incorporation.* The citizens of the area described in Chapter II shall be and constitute a body politic and corporate under the name of 'Town of Boardman' and shall have all the powers, authority, rights, privileges, and immunities conferred upon municipal corporations by the Constitution and general laws of North Carolina.

"Sec. 1.2. *Powers.* The Town shall have all the powers, duties, rights, privileges, and immunities now vested in the Town and now or

hereafter granted to municipal corporations by the laws of the State of North Carolina and by this Charter.

"CHAPTER II.

"CORPORATE BOUNDARIES.

"Sec. 2.1. Until changed in accordance with law, the boundaries of the Town are:

A square centered at the intersection of SR1574 (Old Highway 74) and SR 1506 in Columbus County, extending one mile north, south, east, and west of that point, but excluding any territory in Robeson County within such area.

"CHAPTER III.

"GOVERNING BODY.

"Sec. 3.1. *Number of Members.* The governing body shall be the Mayor and a Town Council of five members.

"Sec. 3.2. *Manner of Election of Council.* The qualified voters of the entire Town of Boardman shall elect the Town Council.

"Sec. 3.3. *Term of Office of Council.* Five council members are to be elected for four-year terms at the regular Town election in November of 1993 and quadrennially thereafter.

"Sec. 3.4. *Mayor.* The qualified voters of the entire Town of Boardman shall elect the Mayor in 1993 and quadrennially thereafter for a four-year term.

"CHAPTER IV.

"ELECTIONS.

"Sec. 4.1. *Conduct of Town Elections.* The Town officers shall be elected on a nonpartisan basis, and the results determined by plurality as provided in G.S. 163-292. Elections shall be conducted by the Columbus County Board of Elections.

"Sec. 4.2. *Interim Budget.* The Town Council may adopt a budget ordinance for the 1992-93 fiscal year, following their qualifications for office, without having to comply with the budget preparation and adoption timetable set out in the Local Government Budget and Fiscal Control Act. For the initial budget for the 1992-93 fiscal year, ad valorem taxes may be paid at par or face amount within 90 days of adoption of the budget, and thereafter according to the schedule in G.S. 105-360 as if the taxes had been due on September 1, 1992.

"Sec. 4.3. *Initial Council.* Until the organizational meeting of the Town Council after the 1993 municipal election, Alchester Stanley is appointed Mayor and Christabel Britt, Belle Ivey, Fred Mason, Mallory Britt, and Louise Mason are appointed as members of the Town Council.

"CHAPTER V.
"ADMINISTRATION.

"Sec. 5.1. The Town of Boardman shall operate under the mayor-council plan as provided in Part 3 of Article 7 of Chapter 160A of the General Statutes."

Sec. 2. (a) The Columbus County Board of Elections shall conduct an election on November 3, 1992, for the purpose of submission to the qualified voters of the area described in Sec. 2.1 of the Charter of the Town of Boardman, the question of whether or not such area shall be incorporated as the Town of Boardman. Registration for the election shall be conducted in accordance with G.S. 163-288.2.

(b) In the election, the questions on the ballot shall be:

"[ ] FOR incorporation of the Town of Boardman

[ ] AGAINST incorporation of the Town of Boardman".

Sec. 3. In such election, if a majority of the votes are cast "FOR incorporation of the Town of Boardman," this Charter shall become effective on the date that the Columbus County Board of Elections determines the result of the election. Otherwise, Section 1 of this act shall have no force and effect.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

H.B. 1661 **CHAPTER 877**

AN ACT TO VALIDATE THE REGISTRATION OF INSTRUMENTS SIGNED IN THE NAME OF THE REGISTER OF DEEDS BY THE REGISTER'S ASSISTANT OR DEPUTY AND INITIALED BY THE ASSISTANT OR DEPUTY.

The General Assembly of North Carolina enacts:

Section 1. Article 4 of Chapter 47 of the General Statutes is amended by adding a new section to read:

"*§ 47-54.1. Registration by register's assistants or deputies.*

All registrations of instruments heretofore made in the office of register of deeds of the several counties by the register's assistant or deputy, and signed in the name of the register of deeds by the assistant or deputy, and initialed by the assistant or deputy, instead of being signed by them as assistant or deputy, when such registrations are in all other respects regular, are hereby validated and declared to be of the same force and effect as if signed by the assistant or deputy in the respective capacity."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.B. 968 **CHAPTER 878**

AN ACT TO SET A REFERENDUM ON POSSIBLE CHANGES IN THE ELECTORAL SYSTEM FOR THE TOWN OF ORIENTAL.

The General Assembly of North Carolina enacts:

Section 1. (a) Sections 3 and 7 of Chapter 184, Private Laws of 1899 are repealed.

(b) The Town of Oriental is governed by a mayor and a board of commissioners of three members. The mayor shall preside at all board of commissioners meetings, but shall have the right to vote only when there are equal numbers of votes in the affirmative and in the negative.

Sec. 2. (a) Sections 3 and 7 of Chapter 184, Private Laws of 1899 are repealed.

(b) The Town of Oriental is governed by a board of commissioners of six members, one of whom shall be the mayor. The person who at the election receives the highest number of votes for commissioner shall be the mayor for the two-year term of the board, except if more than one person receives the highest number of votes, the board of commissioners shall choose the mayor by lot from amongst those receiving the highest number of votes. If there is a vacancy as mayor, the board of commissioners shall choose one of its own members to be mayor for the remainder of the unexpired term. The mayor has the right to vote on all matters before the board of commissioners, but may not break a tie vote in which he participated.

Sec. 3. (a) Sections 3 and 7 of Chapter 184, Private Laws of 1899 are repealed.

(b) The Town of Oriental is governed by a mayor and a board of commissioners of five members. The mayor shall preside at all board of commissioners meetings, but shall have the right to vote only when there are equal numbers of votes in the affirmative and in the negative.

Sec. 4. The Pamlico County Board of Elections shall hold a special election on November 3, 1992, at which time the qualified voters of the Town of Oriental shall vote on the following questions, with the first question being question "A", the second question being question "B", and the third question being question "C":

"[ ] FOR election by the voters of the Town of Oriental of a three-member board of commissioners and a mayor, with the mayor voting only in the case of a tie.

[ ] FOR election by the voters of the Town of Oriental of a six-member board of commissioners, with the candidate for commissioner who receives the highest number of votes being the mayor, who may vote on any issue.

[ ] FOR election by the voters of the Town of Oriental of a five-member board of commissioners and a mayor, with the mayor voting only in the case of a tie."

If a plurality of the votes cast are in favor of question "A", then Section 1 of this act shall become effective beginning with the 1993 regular municipal election. Otherwise, Section 1 of this act shall have no effect.

If a plurality of the votes cast are in favor of question "B", then Section 2 of this act shall become effective beginning with the 1993 regular municipal election. Otherwise, Section 2 of this act shall have no effect.

If a plurality of the votes cast are in favor of question "C", then Section 3 of this act shall become effective beginning with the 1993 regular municipal election. Otherwise, Section 3 of this act shall have no effect.

Sec. 5. Section 4 of this act is effective upon ratification. Sections 1, 2, and 3 of this act become effective as prescribed in Section 4 of this act.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1026 **CHAPTER 879**

AN ACT TO INCREASE THE NUMBER OF MEMBERS OF THE BOARD OF TRUSTEES OF THE SCHOOL OF SCIENCE AND MATH TO CONFORM TO THE NUMBER OF CONGRESSIONAL DISTRICTS WHICH RESULTED FROM THE 1990 CENSUS; TO MAKE ADMINISTRATIVE CHANGES PERTAINING TO THE NORTH CAROLINA CENTER FOR NURSING; AND TO PROVIDE FOR STAGGERING THE TERMS OF MEMBERS OF THE NURSING SCHOLARS COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 116-233(a) reads as rewritten:

"(a) There shall be a Board of Trustees of the School, which shall consist of ~~25 members~~ 26 members:

(1) ~~Eleven~~ Twelve members who shall be appointed by the Board of Governors of The University of North Carolina, one from each congressional district;

(2) Four members without regard to residency who shall be appointed by the Board of Governors of The University of North Carolina;

(3) Three members, ex officio, who shall be the chief academic officers, respectively, of constituent institutions. The Board of Governors shall in 1985 and quadrennially thereafter designate the three constituent institutions whose chief academic officers shall so serve, such designations to expire on June 30, 1989, and quadrennially thereafter;

(4) The chief academic officer of a college or university in North Carolina other than a constituent institution, ex officio. The Board of Governors shall designate in 1985 and quadrennially thereafter which college or university whose chief academic officer shall so serve, such designation to expire on June 30, 1989, and quadrennially thereafter;

(5) Two members appointed by the General Assembly upon the recommendation of the President of the Senate in accordance with G.S. 120-121;

(6) Two members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121; and

(7) Two members appointed by the Governor."

Sec. 2. G.S. 116-233(d) reads as rewritten:

"(d) ~~Seven of the initial class of members of the Board of Trustees appointed under G.S. 116-233[(a)](1) and (2) shall be chosen for a term of two years to expire June 30, 1987, and eight shall be chosen for a term of four years to expire June 30, 1989; thereafter, all such members shall be elected to~~ Members appointed under subdivisions (1) or (2) of subsection (a) of this section shall serve four-year terms. Eight of those terms shall expire June 30, 1993, and quadrennially thereafter, and eight of those terms shall expire June 30, 1995, and quadrennially thereafter. ~~No person other than an ex officio~~ Only an ex officio member shall be eligible to serve more than two successive terms. Any vacancy in the membership of the Board of Trustees appointed under G.S. ~~116-233[(a)](1)~~ 116-233(a)(1) or (2) shall be reported promptly by the Secretary of the Board of Trustees to the Board of Governors of The University of North Carolina, which shall fill any such vacancy by appointment of a replacement member to serve for the balance of the unexpired term. Any vacancy in members appointed under G.S. ~~116-233[(a)](5)~~ 116-233(a)(5) or (6) shall be filled in accordance with G.S. 120-122. Any vacancy in members appointed under G.S. ~~116-233[(a)](7)~~ 116-233(a)(7) shall be filled by the Governor for the remainder of the unexpired term. Reapportionment of congressional districts does not affect the right of

any member to complete the term for which the member was appointed."

Sec. 3. The Board of Governors shall appoint the member for the 12th Congressional District within 90 days of the ratification of this act. The initial term of the new member shall expire June 30, 1995.

Sec. 4. G.S. 90-171.71 is amended by adding a new subsection to read:

"(e) The North Carolina Center for Nursing shall be administered by The University of North Carolina through the Center's Board of Directors established under this section."

Sec. 5. G.S. 126-5(c1) reads as rewritten:

"(c1) Except as to the provisions of Articles 6 and 7 of this Chapter, the provisions of this Chapter shall not apply to:

(1) Constitutional officers of the State.

(2) Officers and employees of the Judicial Department.

(3) Officers and employees of the General Assembly.

(4) Members of boards, committees, commissions, councils, and advisory councils compensated on a per diem basis.

(5) Officials or employees whose salaries are fixed by the General Assembly, or by the Governor, or by the Governor and Council of State, or by the Governor subject to the approval of the Council of State.

(6) Employees of the Office of the Governor that the Governor, at any time, in his discretion, exempts from the application of the provisions of this Chapter by means of a letter to the State Personnel Director designating these employees.

(7) Employees of the Office of the Lieutenant Governor, that the Lieutenant Governor, at any time, in his discretion, exempts from the application of the provisions of this Chapter by means of a letter to the State Personnel Director designating these employees.

(8) Instructional and research staff, physicians, and dentists of The University of North Carolina.

(9) Employees whose salaries are fixed under the authority vested in the Board of Governors of The University of North Carolina by the provisions of G.S. 116-11(4), ~~116-1(5) [116-11(5)],~~ 116-11(5), and 116-14.

(10) Repealed by Session Laws 1991, c. 84, s. 1.

(11) North Carolina School of Science and Mathematics' employees whose salaries are fixed in accordance with the provisions of G.S. 116-235(c)(1) and G.S. 116-235(c)(2).

(12) Employees of the North Carolina Low-Level Radioactive Waste Management Authority whose salaries are fixed pursuant to G.S. 104G-5(g)(1) and G.S. 104G-5(g)(2).

(13) Employees of the North Carolina Hazardous Waste Management Commission whose salaries are fixed pursuant to G.S. 130B-6(g)(1) and G.S. 130B-6(g)(2).

(14) Employees of the North Carolina State Ports Authority.

(15) Employees of the North Carolina Air Cargo Airport Authority.

(16) The executive director and one associate director of the North Carolina Center for Nursing established under Article 9F of Chapter 90 of the General Statutes."

Sec. 6. Effective July 1, 1993, G.S. 90-171.60(d) reads as rewritten:

"(d) ~~Commission members shall be appointed for four-year terms. The terms of initial appointees shall expire July 1, 1993.~~ Of the Commission members appointed by the Governor, two shall each serve an initial term of two years, and one shall serve an initial term of four years. Of the Commission members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, one shall serve an initial term of two years, and two shall each serve an initial term of four years. Of the Commission members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, one shall serve an initial term of two years, and two shall each serve an initial term of four years. Thereafter, all appointments to the Commission shall be for four-year terms."

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1028 **CHAPTER 880**

AN ACT TO REQUIRE THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA, THE STATE BOARD OF COMMUNITY COLLEGES, THE STATE BOARD OF EDUCATION, AND THE STATE'S PRIVATE INSTITUTIONS OF HIGHER EDUCATION TO COOPERATE IN AN EXCHANGE OF INFORMATION.

The General Assembly of North Carolina enacts:

Section 1. Chapter 500, Section 37 of the 1989 Session Laws, is repealed.

Sec. 2. G.S. 116-11 is amended by adding a new subdivision to read:

"(10a) The Board of Governors, the State Board of Community Colleges, and the State Board of Education, in consultation with private higher education institutions defined in G.S. 116-22(1), shall plan a system to provide an exchange of information among the public schools and institutions of higher education to be implemented no later than June 30, 1995. As used in this section, 'institutions of higher education' shall mean public higher education institutions defined in G.S. 116-143.1(a)(3), and those private higher education institutions defined in G.S. 116-22(1) that choose to participate in the information exchange. The information shall include:

a. The number of high school graduates who apply to, are admitted to, and enroll in institutions of higher education;

b. College performance of high school graduates for the year immediately following high school graduation including each student's: need for remedial coursework at the institution of higher education that the student attends; performance in standard freshmen courses; and continued enrollment in a subsequent year in the same or another institution of higher education in the State;

c. The progress of students from one institution of higher education to another; and

d. Consistent and uniform public school course information including course code, name, and description.

The Department of Public Instruction shall generate and the local school administrative units shall use standardized transcripts in an automated format for applicants to higher education institutions. The standardized transcript shall include grade point average, class rank, end-of-course test scores, and uniform course information including course code, name, units earned toward graduation, and credits earned for admission from an institution of higher education. The grade point average and class rank shall be calculated by a standard method to be devised by the institutions of higher education."

Sec. 3. G.S. 115C-12(18) is amended by adding a new sub-subdivision to read:

"c. The State Board of Education shall comply with the provisions of G.S. 116-11(10a) to plan and implement an

exchange of information between the public schools and the institutions of higher education in the State."

Sec. 4. G.S. 115D-5 is amended by adding a new subsection to read:

"(a2) The State Board of Community Colleges shall comply with the provisions of G.S. 116-11(10a) to plan and implement an exchange of information between the public schools and the institutions of higher education in the State."

Sec. 5. The State Board of Education shall plan how to include the information described in G.S. 116-11(10a)a. and b. in the annual report card described in G.S. 115C-12(9)c1. The State Board of Education shall make an interim report on progress made to include this information in the annual report card prior to December 1, 1992, to the Joint Legislative Education Oversight Committee. A final report shall be submitted to the General Assembly prior to May 1, 1993.

Sec. 6. A joint report of progress made to develop a system to provide an exchange of information shall be made to the Joint Legislative Education Oversight Committee no later than February 15, 1993, and annually thereafter.

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1054 **CHAPTER 881**

AN ACT TO BRING MECKLENBURG COUNTY'S FAIR HOUSING ACT INTO COMPLIANCE WITH THE FEDERAL FAIR HOUSING ACT.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 292 of the 1981 Session Laws, as amended by Section 3 of Chapter 1042 of the 1987 Session Laws, reads as rewritten:

"Section 1. Equal Housing. (a) A county board of commissioners may adopt ordinances prohibiting discrimination on the basis of race, color, sex, religion, handicap, familial status, or national origin in real estate transactions. These ordinances may regulate or prohibit any act, practice, activity or procedure related, directly or indirectly, to the sale or rental of public or private housing, which affects or may tend to affect the availability or desirability of housing on an equal basis to all persons; may provide that violations constitute a criminal offense; may subject the offender to civil penalties; and may provide that the county may enforce the ordinances by application to the ~~district~~ superior court for appropriate legal and equitable remedies.

including mandatory and prohibitory injunctions and orders of abatement, attorney's fees and punitive damages. The ~~District Court~~ Superior Courts of ~~the 26th District Court District~~ Superior Court Districts 26A, 26B, and 26C shall have jurisdiction to grant all remedies arising out of this act.

(b) A county board of commissioners may also amend any ordinance adopted pursuant to the provisions contained in subsection (a) of this section to ensure that the ordinance remains substantially equivalent to the federal Fair Housing Act, 42 U.S.C. §§ 3601 *et seq.* Any ordinance enacted pursuant to subsection (a) of this section prohibiting discrimination on the basis of familial status shall not apply to housing for older persons, as that term is defined in the federal Fair Housing Act, 42 U.S.C. §§ 3601 *et seq.* The remaining sections of the ordinance shall remain in force and effect."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1088 **CHAPTER 882**

AN ACT TO MAKE ADMINISTRATIVE CHANGES TO THE ROWAN OCCUPANCY TAX LAW.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 379 of the 1987 Session Laws reads as rewritten:

"Section 1. Occupancy tax. (a) Authorization and scope. The Rowan County Board of Commissioners may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by a hotel, motel, inn, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the county. The tax shall be added to the sales price and

shall be passed on to the purchaser instead of being borne by the operator of the business. The county shall design, print, and furnish to all appropriate businesses and persons in the county the necessary forms for filing returns and instructions to ensure the full collection of the tax. An operator of a business who collects the occupancy tax levied under this section may deduct from the amount remitted to the county a discount of three percent (3%) of the amount collected.

(c) Administration. The county shall administer a tax levied under this section. A tax levied under this section is due and payable to the county finance officer in monthly installments on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied. The board of commissioners shall appoint a board to oversee the operations of the Rowan County Convention and Visitors Bureau. Appointments to the board shall be made by the board of commissioners for specified terms as outlined in the bylaws of the Bureau.

A return filed with the county finance officer under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars ($10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars ($1,000), imprisonment not to exceed six months, or both. The board of commissioners may, for good cause shown, compromise or forgive the penalties imposed by this subsection.

(e) Distribution and use of tax revenue. Rowan County shall apply the net proceeds of the occupancy tax to the purposes provided in this subsection. The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the ~~Salisbury Chamber of~~

~~Commerce.~~ Rowan County Convention and Visitors Bureau. ~~The chamber of commerce may, through its Tourism and Convention Committee,~~ The Bureau shall spend funds remitted to it under this subsection only to promote travel, tourism, and conventions in Rowan County and to sponsor tourist-oriented events and activities in Rowan County. The ~~chamber of commerce~~ Bureau may not spend any of the funds for construction, improvement, or maintenance of real property or for any other capital project. The ~~Tourism and Convention Committee of the Salisbury Chamber of Commerce~~ Bureau shall report quarterly and at the close of the fiscal year to the board of commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

As used in this subsection, 'net proceeds' means gross proceeds less the cost to the county of administering and collecting the tax, as determined by the finance officer.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by the Rowan County Board of Commissioners. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal."

Sec. 2. This act is effective upon ratification and applies to all proceeds collected on or after July 1, 1992.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1150 **CHAPTER 883**

AN ACT TO ALLOW UNION COUNTY TO CREATE FIRE PROTECTION DISTRICTS IN WHICH FIRE PROTECTION IS FUNDED BY FEES RATHER THAN TAXES.

The General Assembly of North Carolina enacts:

Section 1. Article 11 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"*§ 153A-236. Fee-supported fire districts.*

(a) Request for Fee-supported District. -- A county may create a fee-supported fire district for insurance grading purposes if it receives one of the following:

(1) A written request to create the district signed by at least two-thirds of the members of the board of directors of a fire department that contracts with the county to provide fire protection within an area of the county.

(2) A petition requesting creation of a district signed by fifteen percent (15%) of the resident freeholders living in an area in the county. The petition must describe the area to be designated as the district.

(b) Creation of Fee-supported District. -- Upon receipt of a request as provided in subsection (a), the county may adopt a resolution establishing a fee-supported fire district and imposing annual fees for the provision of fire protection services within the district. The district may not include any area that is within (i) a tax-supported fire district established under Article 3A of Chapter 69 of the General Statutes; (ii) a county service district established under Article 16 of this Chapter for fire protection purposes; or (iii) another fee-supported fire district. The district may not include any area that is within the corporate limits of a municipality unless the governing body of the municipality agrees to the inclusion. However, it is not necessary to obtain the consent of a municipality if the municipality has not levied a tax, performed any official act, nor held any elections within a period of 10 years preceding the adoption of the resolution including the area within the district.

(c) Fees. -- The fees imposed by the county may not exceed the cost of providing fire protection services within the district and may be imposed on owners of all real property that benefits from the availability of fire protection. For the purpose of this section, the term 'fire protection' includes furnishing emergency medical, rescue, and ambulance services to protect persons in the district from injury or death. The county shall establish a schedule of fees for different classes of property and the fee for each class of property shall be proportional to the estimated cost of providing fire protection services to that class of property. The schedule of fees shall include the following classes of property and the fee on each class of property shall not exceed the following maximums:

(1) A single-family dwelling or manufactured home, and appurtenant structures, plus up to five acres of surrounding land. The fee on this class of property may not exceed fifty dollars ($50.00) per site per year.

(2) Unimproved land other than the five acres of land classified as part of a single-family dwelling or manufactured home.

The fee on this class of property may not exceed two cents (2¢) per acre per year. The county may establish a minimum fee for unimproved land of not more than five dollars ($5.00) per year.

(3) An animal production or horticultural operation. The fee on this class of property may not exceed ten dollars ($10.00) per site per year.

(4) A commercial facility other than an animal production or horticultural operation. The fee on this class of property may not exceed fifty dollars ($50.00) per site per year for commercial facilities with structures encompassing less than 5,000 square feet and one hundred dollars ($100.00) per site per year for commercial facilities with structures encompassing 5,000 square feet or more.

(5) A multiple-family dwelling. The fee on a duplex may not exceed fifty dollars ($50.00) per building per year. The fee on a triplex may not exceed seventy-five dollars ($75.00) per building per year. The fee on any other multiple-family dwelling may not exceed one hundred dollars ($100.00) per building per year.

(6) Any other class of property selected by the county. The fee on these classes of property may not exceed fifty dollars ($50.00) per year.

(d) Billing of Fees. -- The county may include a fee imposed under this section on the property tax bill for the real property on which the fee is imposed.

(e) Use of Fees. -- The county shall credit the fees collected within the district to a separate fund to be used only to furnish fire protection in the district. The board of commissioners shall administer the fund to provide fire protection by one or more of the following methods:

(1) Contracting with any municipality, any incorporated nonprofit volunteer or community fire department, or the Department of Environment, Health, and Natural Resources.

(2) Furnishing fire protection itself if it maintains an organized fire department.

(3) Establishing a fire department in the district.

(f) Audit of Fire Department. -- If the county contracts with a fire department to provide fire protection services in a fee-supported fire district, the fire department shall prepare an annual budget based on anticipated revenues and shall submit the budget to the county for processing and approval through the county's regular budget procedure. Upon request of the county, the fire department shall make quarterly or semiannual reports to the county detailing its revenues, expenditures, and activities. The county may audit the fire

department's financial records upon reasonable notice to the fire department.

(g) Extension of Area of District. -- The county may by resolution annex to any fee-supported fire district any territory that it could include in a new district under subsection (c), upon finding that:

(1) The area to be annexed is contiguous to the district, with at least one-eighth of the area's aggregate external boundary coincident with the existing boundary of the district; and

(2) The area to be annexed requires the services of the district.

The county may also by resolution annex to any fee-supported fire district any territory it could include in a new district under subsection (c) if one hundred percent (100%) of the real property owners in the territory to be annexed have petitioned the board of commissioners for annexation to the service district.

The area of any fee-supported fire district may be increased by including within the boundaries of the district any adjoining territory lying within a municipality if the territory is not already included in another fire protection district, and both the municipal governing body and the county commissioners of the county in which the district is located agree by resolution to the inclusion. However, it is not necessary to obtain the consent of a municipality if the municipality has not levied a tax, performed any official act, nor held any elections within a period of 10 years preceding the adoption of the resolution including the area within the district.

(h) Annexation of District. -- When any portion of a fee-supported fire district has been annexed by a municipality furnishing fire protection to its citizens, and the municipality has not agreed to allow territory within it to be in the district, then the portion of the district annexed is no longer part of a fee-supported district. For the purposes of this section and regardless of the actual effective date of annexation, the date of annexation shall be considered to be a date in the month of June.

(i) Abolition of District. -- Upon finding that there is no longer a need for a given fee-supported fire district, the board of commissioners may repeal the resolution establishing the district and thus abolish the district."

Sec. 2. This act applies to Union County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1165 **CHAPTER 884**

AN ACT TO AUTHORIZE THE TOWNS OF CORNELIUS AND DAVIDSON IN MECKLENBURG COUNTY TO REGULATE IN CERTAIN EXTRATERRITORIAL AREAS.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding Section 12 of Chapter 860 of the 1971 Session Laws, as amended by Chapter 966 of the 1983 Session Laws (Regular Session 1984), the Towns of Cornelius and Davidson may exercise the powers granted by Article 19 of Chapter 160A of the General Statutes within extraterritorial areas in Mecklenburg County not to exceed one mile of their respective corporate limits, subject to the limitations set forth in this act.

Sec. 2. Any exercise of the authority granted by this act shall be accomplished in accordance with G.S. 160A-360, except that no approval from Mecklenburg County is required prior to such exercise.

Sec. 3. This act authorizes the exercise of extraterritorial jurisdiction only in those areas that may be annexed by each town, as set forth in and referred to as the "Sphere of Influence" in annexation agreements entered into by the Towns of Cornelius, Davidson, and Huntersville. The area in which the extraterritorial jurisdiction authorized by this act is to be exercised shall be specifically identified in an ordinance as required by G.S. 160A-360, and may be changed from time to time in the same manner, in accordance with the above-referenced agreement, modifications thereto, or future agreements or changed circumstances delineating areas in which the town may annex.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1176 **CHAPTER 885**

AN ACT TO ESTABLISH BY A DESCRIPTION THE BOUNDARIES FOR JOT-UM-DOWN FIRE DISTRICT IN SURRY COUNTY.

Whereas, there is at present in existence the Jot-Um-Down Fire District, the boundaries of which establish the boundaries of the Jot-Um-Down Fire District for purposes of levying taxes on the property located therein to support the Jot-Um-Down Volunteer Fire Department, a volunteer fire department; and

Whereas, the County Commissioners of Surry County have requested that the boundaries be established as hereinafter set forth: Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. The boundaries of the Jot-Um-Down Fire District for the purposes of the levying of taxes on the property located therein for the support of the Jot-Um-Down Volunteer Fire Department is established as follows:

Lying and being in portions of Bryan, Dobson, Elkin, and Marsh Townships, Surry County, North Carolina, being as shown on the attached map, which map is incorporated by reference, the boundaries of the JOT-UM-DOWN FIRE DISTRICT for tax purposes is described as follows:

Beginning at Point #1 as shown on said map on State Road No. 1122, .4 of a mile north of the intersection of SR 1122 and SR 1123 (which beginning point is located generally in a northerly direction following SR 1122 1.9 miles from the Jot-Um-Down Fire Station); thence leaving SR 1122 and running in a generally northeast direction approximately 1800 feet to Point #1A; thence in a north direction approximately 3500 feet to Point 1B; thence southeast approximately 3300 feet to Point #2, a point in the center of SR 1100 in the Central Surry Fire District line, said point being .5 of a mile north of the intersection of SR 1123 and SR 1100, and including Blue Ridge Foot Hills Camp Ground; thence running in a generally eastern direction approximately 4600 feet to Point #3 at the intersection of SR 1110 and SR 1123; thence running in a generally eastern direction with the Central Surry Fire District line approximately 6200 feet to Point #4 at the intersection of SR 1105 and SR 1106; thence running in a generally southeast direction with the Central Surry Fire District line approximately 2450 feet, crossing SR 1107, to Point #5, .2 of a mile south of the intersection of SR 1107 and SR 1105; thence running in a southern direction approximately 6400 feet to Point #6; thence running in a southern direction approximately 4800 feet, crossing NC Highway 268, to Point #7, .3 of a mile northeast of the intersection of NC 268 and SR 1110; thence running in a southwest direction approximately 1100 feet to Point #7A; thence south approximately 1050 feet to Point #7B; thence running in a southwest direction approximately 300 feet to Point #8 on NC 268 .3 of a mile south of the intersection of NC 268 and SR 1110; thence running in a western direction approximately 5900 feet to Point #9 on SR 1111 .9 of a mile northwest of the intersection of SR 1111 and SR 1112; thence running in a southwest direction approximately 7200 feet to Point #10 on SR 1121 .8 of a mile west from the intersection of SR 1121 and SR 1112;

thence running from SR 1121 in a southern direction .7 of a mile to Mitchell River, Point #11, and including the Ann Harris Farm; thence running with Mitchell River as it meanders to a point .3 of a mile southeast from Interstate 77, Point #12; thence running in a western direction approximately 5800 feet to Point #13 on SR 1131 .4 of a mile south of the intersection of SR 1131 and SR 1001; thence running in a northwest direction approximately 2800 feet to Point #14 on SR 1001 .3 of a mile west of the intersection of SR 1001 and SR 1131, being the State Road Fire District line; thence running north with State Road Fire District line approximately 2800 feet to Point #14A in State Road Fire District line; thence running in an eastern direction approximately 3450 feet to a point on the west bank of Mitchell River .5 of a mile northwest from the new bridge over SR 1001, Point #15; thence running in a generally northern direction with meanders of Mitchell River to the Mountain Park Fire District line, Point #16; thence running in a generally eastern direction approximately 8600 feet to Point #17 on SR 1001 .5 of a mile northwest of the intersection of SR 1001 and SR 1475; thence running in a generally northeast direction approximately 5400 feet to Point #18 on SR 1122, .2 of a mile north of the intersection of SR 1122 and SR 1123; thence along SR 1122 in a northern direction .2 of a mile to Point #1, the point of beginning.

Sec. 2. The County Commissioners of Surry County may assess the ad valorem tax as provided by resolution of the Board of Commissioners of Surry County when the Jot-Um-Down Fire District was established by a resolution of the Board of Commissioners on September 8, 1981.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1177 **CHAPTER 886**

AN ACT TO ESTABLISH BY A DESCRIPTION THE BOUNDARIES FOR C. C. CAMP FIRE DISTRICT IN SURRY COUNTY.

Whereas, there is at present in existence the C. C. CAMP FIRE DISTRICT, the boundaries of which establish the boundaries of the C. C. CAMP FIRE DISTRICT for purposes of levying taxes on the property located therein to support the C. C. CAMP VOLUNTEER FIRE DEPARTMENT, a volunteer fire department; and

Whereas, the County Commissioners of Surry County have requested that the boundaries be established as hereinafter set forth; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. The boundaries of the C. C. CAMP FIRE DISTRICT for the purposes of the levying of taxes on the property located therein for the support of the C. C. CAMP VOLUNTEER FIRE DEPARTMENT is established as follows:

C. C. CAMP FIRE DISTRICT

Lying and being in Elkin and Marsh Townships, Surry County, North Carolina, being as shown on the attached map, which map is incorporated by reference, the boundaries of the C. C. CAMP FIRE DISTRICT for tax purposes is described as follows:

Beginning at Point #1 as shown on said map on NC Highway 268, at a point in the Jot-Um-Down Fire District Line .3 of a mile south of the intersection of NC 268 and SR 1110; thence running in a generally southwest direction approximately 3550 feet to Point #2 on SR 1111 .1 of a mile west of the intersection of SR 1111 and SR 1112; thence running in a southwest direction approximately 4000 feet to Point #2A; thence running in a northwest direction approximately 2300 feet to Jot-Um-Down Fire District line, Point #2B; thence running in a southwest direction with Jot-Um-Down Fire District line approximately 3000 feet to Point #3 on SR 1121 at a point in the Jot-Um-Down Fire District line .8 of a mile west from the intersection of SR 1121 and SR 1112; thence running from SR 1121 with the Jot-Um-Down Fire District line in a southern direction .7 of a mile to Mitchell River, Point #4; thence running with Mitchell River as it meanders approximately 1.5 miles in a western direction to the mouth of Camp Creek on Mitchell River, Point #5; thence running in a westerly direction approximately 3100 feet to Point #5A; thence running in a northwest direction approximately 3400 feet to Point #6 on Interstate 77 .7 of a mile north of the SR 1136 overpass over Interstate 77; thence running in a west direction approximately 2900 feet to Brendle Branch, Point #6A; thence running in a southwest direction approximately 5300 feet to Point #7 at the intersection of SR 1136 and SR 1135; thence in a northwest direction along SR 1135 approximately 300 feet to the State Road Fire District line, being Point #7A; thence running west approximately 785 feet to Point #7B on SR 1134; thence running south with SR 1134 approximately 1150 feet to Point #8 at the intersection of SR 1134 and SR 1136; thence running southwest approximately 2000 feet with the State Road Fire District line to Point #9 on the west side of New Highway 21, Elkin City

limits; thence running with the Elkin City limits from Point #9 in a southern direction approximately 1240 feet to Point #9A; thence continuing with the Elkin City limits from Point #9A in an eastern direction approximately 387 feet to Point #9B; thence continuing with the Elkin City limits from Point #9B in a southern direction approximately 1500 feet to Point #10; thence continuing from Point #10 in a northern direction approximately 300 feet with Elkin City limits and SR 1138 to Point #10A on SR 1138; thence from Point #10A with Elkin City limits in a southern direction approximately 1250 feet to Point #11 at the Elkin City limits; thence running in an eastern direction approximately 950 feet to Point #12 on SR 1144 (Johnson Ridge Road) .3 of a mile south of the intersection of SR 1144 and SR 1138; thence running in an eastern direction approximately 1900 feet to Point #13 on New Highway 21 .4 of a mile south of the intersection of New Highway 21 and SR 1138; thence running in a southeast direction approximately 3000 feet to Point #14 on Interstate 77 1 mile south of the intersection of Interstate 77 and SR 1138; thence running in a southern direction approximately 6000 feet to Point #15 on the bridge where Interstate 77 crosses or spans the Yadkin River; thence running in an eastern direction with the meanders of the Yadkin River approximately 7.5 miles to a point in the Yadkin River at the southeast corner of the 100-acre tract owned by Cotis Bates, Point #16; thence running in a northeast direction approximately 5700 feet to Point #17 at the intersection of Highway 601 and SR 1114; thence running in a northwest direction approximately 4700 feet to Point #18 on SR 1169; thence running in a northwest direction approximately 6400 feet, crossing SR 1169, to Point #19, .5 of a mile east of the intersection of SR 1169 and Highway 268; thence in a northwest direction approximately 1900 feet to Point #1 on Highway 268, at the Jot-Um-Down Fire District line, .3 of a mile south of the intersection of Highway 268 and SR 1110, the point of beginning.

Sec. 2. The County Commissioners of Surry County may assess the ad valorem tax as provided by resolution of the Board of Commissioners of Surry County when the C. C. CAMP FIRE DISTRICT was established by a resolution of the Board of Commissioners on September 8, 1981.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1181 **CHAPTER 887**

AN ACT TO ALTER THE MANNER OF ELECTION OF THE CRAVEN COUNTY BOARD OF COMMISSIONERS.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 972, Session Laws of 1987, reads as rewritten:

"Sec. 2. One member each shall be elected ~~from~~ for each district ~~Districts 1, 3, and 5. Two members each shall be elected from Districts 2 and 4~~. Only voters residing in ~~a district~~ Districts 3 or 5 may vote in the primaries and elections for the ~~members~~ member from that district. Only voters residing in Districts 1, 2, 4, 6, or 7 may vote in the primaries from that district, but voters from the entire area of Districts 1, 2, 4, 6, and 7 shall vote in the election for all five of those seats, which shall appear as separate positions on the ballot.

~~In Districts 2 and 4 the two seats from each of those districts shall be designated as Seats 2A and 2B and as Seats 4A and 4B, respectively. Each of those seats shall be voted on separately. Although all voters in District 2 may vote for both Seat 2A and Seat 2B, only persons who reside in subdistrict A of District 2 may be candidates for Seat 2A and only persons who reside in subdistrict B may be candidates for Seat 2B. Likewise, all voters in District 4 may vote for both Seat 4A and 4B, but only persons who reside in subdistrict A of District 4 may be candidates for Seat 4A and only persons who reside in subdistrict B may be candidates for Seat 4B.~~"

Sec. 2. Section 3 of Chapter 972, Session Laws of 1987, reads as rewritten:

"Sec. 3. The ~~five~~ seven districts are as follows:

District 1--This district consists of all of Townships 1 and 2.

District 2--This district consists of all ~~the area within the following subdistricts A and B:~~

~~A:~~ ~~All~~ of Townships 3 and 9; Peppercorn Road (including homes on both sides of the road in this district); and the remaining portion of Township 8 within 1980 census enumeration Districts 264A, 264U and 265D except for: (1) the portion of 265D northeast of the intersection of Trent Road and U.S. 70 By-Pass and east of a line running from that point to the western end of Meadowbrook Avenue (excluding all of the homes on Meadowbrook from this district and putting them in ~~subdistrict 2B~~ District 4); and (2) the portion of 265D which includes Fairwoods Lane and the southern side of Amhurst Boulevard between Glenburnie Road and Fairwoods Lane (excluding Fairwoods Lane and that portion of Amhurst

Boulevard from this district and placing them in ~~subdistrict 2B~~ District 4).

District 4--This district consists of

~~B:~~ ~~The~~ the portion of Township 8 not in ~~subdistrict 2A~~ District 2 or District 3.

District 3--This district consists of the Pembroke Water and Sewer District plus the portion of the City of New Bern east and north of the following line running roughly north to south from its beginning at the northern most point where the city limits meet the Neuse River: Southwest along the city limits to East Rose Street, west on Rose Street to Jack Smith Creek, southwest along the creek to Hazel Avenue Extension (including all of Carver Street in the district), south on Hazel Avenue to Neuse Boulevard, southeast on Neuse to Chattawka Lane, south on Chattawka to Trent Boulevard, west on Trent to Fifth Street, south on Fifth across U.S. 70 By-Pass to Lanes Branch the southern city limit), and east from that point along the city limits to the Trent River.

District ~~4~~ 7--This ~~distrtict~~ district consists of all ~~the area within the following subdistricts A and B:~~

~~A:~~ ~~All~~ of Township 7 and that portion of Township 6 west of the following line running north to south from the western boundary of the U.S. Marine Corps Cherry Point Air Station (USMAC) at the Neuse River: South along the western boundary line of USMAC to its intersection with Cedar Creek, south along Cedar Creek to Slocum Creek, south with the southwest prong of Slocum Creek to the Atlantic & East Carolina Railroad, southeast along the railroad to State Road 1756, southwest on 1756 to the Camp Lejeune Railroad, southwest along the railroad to the Carteret County line. This ~~subdistrict~~ district is the same as Board of Education District 5 as described in Chapter 236 of the Session Laws of 1983.

District 6--This district consists of all

~~B:~~ ~~The~~ the area between the eastern boundary of ~~subdistrict 4A~~ District 7 as described above and the following line running north to south from the mouth of Hancock Creek at the Neuse River: South along the run of Hancock Creek to a point where Roosevelt Boulevard extended would intersect Hancock Creek, west and south on Roosevelt to U.S. Highway 70, south on 70 to the Carteret County line. This ~~subdistrict~~ district is the same as Board of Education District 6 as described in Chapter 236 of the Session Laws of 1983.

District 5--This district consists of all of Township 5 and the portion of Township 6 east of the eastern boundary of ~~subdistrict 4B~~ District 6

described above. This district is the same as Board of Education District 7 as described in Chapter 236 of the Session Laws of 1983."

Sec. 3. Section 4 of Chapter 972, Session Laws of 1987, reads as rewritten:

"Sec. 4. If a member elected ~~from District 1, 3 or 5~~ pursuant to this act dies, resigns or otherwise leaves office, the person appointed to fill the vacancy must reside in the same district as the member leaving office. ~~If a member elected from District 2 or 4 pursuant to this act dies, resigns or otherwise leaves office, the person appointed to fill the vacancy must reside in the same subdistrict as the member leaving office.~~"

Sec. 4. The provisions of G.S. 153A-22 shall continue to apply to the districts for nomination and elections provided by this act.

Sec. 5. This act is effective upon ratification, applies to elections held in 1994 and thereafter, and to vacancies occurring on or after persons elected in 1994 and thereafter take office.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1193 **CHAPTER 888**

AN ACT TO AUTHORIZE JOINT AGENCIES TO PROVIDE AID AND ASSISTANCE TO MUNICIPALITIES AND JOINT MUNICIPAL ASSISTANCE AGENCIES AS RECOMMENDED BY THE JOINT LEGISLATIVE UTILITY REVIEW COMMITTEE AND TO CLARIFY THE AUTHORITY TO INVEST JOINT AGENCY FUNDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 159B-2 reads as rewritten:

"*§ 159B-2. Legislative findings and purposes.*

The General Assembly hereby finds and determines that:

A critical situation exists with respect to the present and future supply of electric power and energy in the State of North Carolina;

The public utilities operating in the State have sustained greatly increased capital and operating costs;

Such public utilities have found it necessary to postpone or curtail construction of planned generation and transmission facilities serving the consumers of electricity in the State, increasing the ultimate cost of such facilities to the public utilities, and that such postponements and curtailments will have an adverse effect on the provision of adequate and reliable electric service in the State;

The above conditions have occurred despite substantial increases in electric rates;

In the absence of further material increases in electric rates, additional postponements and curtailments in the construction of additional generation and transmission facilities may occur, thereby impairing those utilities' ability to continue to provide an adequate and reliable source of electric power and energy in the State;

Seventy-two municipalities in the State have for many years owned and operated systems for the distribution of electric power and energy to customers in their respective service areas and are empowered severally to engage in the generation and transmission of electric power and energy;

Such municipalities owning electric distribution systems have an obligation to provide their inhabitants and customers an adequate, reliable and economical source of electric power and energy in the future;

In order to achieve the economies and efficiencies made possible by the proper planning, financing, sizing and location of facilities for the generation and transmission of electric power and energy which are not practical for any municipality acting alone, and to insure an adequate, reliable and economical supply of electric power and energy to the people of the State, it is desirable for the State of North Carolina to authorize municipal electric systems to jointly plan, finance, develop, own and operate electric generation and transmission facilities appropriate to their needs in order to provide for their present and future power requirements for all uses without supplanting or displacing the service at retail of other electric suppliers operating in the State; and

The joint planning, financing, development, ownership and operation of electric generation and transmission facilities by municipalities which own electric distribution systems and the issuance of revenue bonds for such purposes as provided in this Chapter is for a public use and for public and municipal purposes and is a means of achieving economies, adequacy and reliability in the generation of electric power and energy and in the meeting of future needs of the State and its inhabitants.

In addition to the authority granted municipalities to jointly plan, finance, develop, own and operate electric generation and transmission facilities by Article 2 of this Chapter and the other powers granted in said Article 2, and in addition and supplemental to powers otherwise conferred on municipalities by the laws of this State for interlocal cooperation, it is desirable for the State of North Carolina to authorize municipalities to form joint municipal assistance agencies which shall be empowered to provide aid and assistance to municipalities in the construction, ownership, maintenance, expansion and operation of their electric systems, and to empower joint agencies authorized herein

to provide aid and assistance to municipalities or joint municipal assistance agencies in the development and implementation of integrated resource planning, including, but not limited to, the evaluation of resources, generating facilities, alternative energy resources, conservation and load management programs, transmission and distribution facilities, and purchase power options, and in the development, construction and operation of supply-side and demand-side resources, ~~and in such other ways~~ in addition to exercising such other powers as hereinafter provided to joint municipal assistance agencies and joint agencies. In order to provide maximum economies and efficiencies to municipalities and the consuming public in the generation and transmission of electric power and energy contemplated by Article 2 of this Chapter, it is also desirable that the joint municipal assistance agencies authorized herein be empowered to act as provided in Article 3 of this Chapter and that such agency or agencies be empowered to act for and on behalf of any one or more municipalities, as requested, with respect to the construction, ownership, maintenance, expansion and operation of their electric systems; and that the joint agencies authorized herein be empowered to act as provided in Article 2 of this Chapter and that such agency or agencies be empowered to act for and on behalf of any one or more municipalities or joint municipal assistance agencies, in each case as requested, with respect to the integrated resource planning and development, construction, and operation of supply-side and demand-side options described above."

Sec. 2. G.S. 159B-11 reads as rewritten:

"§ *159B-11. General powers of joint agencies; prerequisites to undertaking projects.*

Each joint agency shall have all of the rights and powers necessary or convenient to carry out and effectuate the purposes and provisions of this Chapter, including, but without limiting the generality of the foregoing, the rights and powers:

(1) To adopt bylaws for the regulation of the affairs and the conduct of its business, and to prescribe rules, regulations and policies in connection with the performance of its functions and duties;

(2) To adopt an official seal and alter the same at pleasure;

(3) To acquire and maintain an administrative building or office at such place or places as it may determine, which building or office may be used or owned alone or together with any other joint agency or agencies, joint municipal assistance agency, municipalities, corporations, associations or persons under such terms and provisions for sharing costs and otherwise as may be determined:

(4) To sue and be sued in its own name, and to plead and be impleaded;

(5) To receive, administer and comply with the conditions and requirements respecting any gift, grant or donation of any property or money;

(6) To acquire by purchase, lease, gift, or otherwise, or to obtain options for the acquisition of, any property, real or personal, improved or unimproved, including an interest in land less than the fee thereof;

(7) To sell, lease, exchange, transfer or otherwise dispose of, or to grant options for any such purposes with respect to, any real or personal property or interest therein;

(8) To pledge, assign, mortgage or otherwise grant a security interest in any real or personal property or interest therein, including the right and power to pledge, assign or otherwise grant a security interest in any money, rents, charges or other revenues and any proceeds derived by the joint agency from the sales of property, insurance or condemnation awards.

(9) To issue bonds of the joint agency for the purpose of providing funds for any of its corporate purposes;

(10) To study, plan, finance, construct, reconstruct, acquire, improve, enlarge, extend, better, own, operate and maintain one or more projects, either individually or jointly with one or more municipalities in this State or any state contiguous to this State owning electric distribution facilities or with any political subdivisions, agencies or instrumentalities of any state contiguous to this State or with other joint agencies created pursuant to this Chapter, and to pay all or any part of the costs thereof from the proceeds of bonds of the joint agency or from any other funds made available to the joint agency;

(11) To authorize the construction, operation or maintenance of any project or projects by any person, firm or corporation, including political subdivisions and agencies of any state, or of the United States;

(12) To acquire by private negotiated purchase or lease or otherwise an existing project, a project under construction, or other property, either individually or jointly, with one or more municipalities in this State or any state contiguous to this State owning electric distribution facilities or with any political subdivisions, agencies or instrumentalities of any state contiguous to this State or with other joint agencies created pursuant to

this Chapter; to acquire by private negotiated purchase or lease or otherwise any facilities for the development, production, manufacture, procurement, handling, storage, fabrication, enrichment, processing or reprocessing of fuel of any kind or any facility or rights with respect to the supply of water, and to enter into agreements by private negotiation or otherwise, for a period not exceeding fifty (50) years, for the development, production, manufacture, procurement, handling, storage, fabrication, enrichment, processing or reprocessing of fuel of any kind or any facility or rights with respect to the supply of water; no provisions of law with respect to the acquisition, construction or operation of property by other public bodies shall be applicable to any agency created pursuant to this Chapter unless the legislature shall specifically so state;

(13) To dispose of by private negotiated sale or lease, or otherwise an existing project, a project under construction, or other property either individually or jointly with one or more municipalities in this State or any state contiguous to this State owning electric distribution facilities or with any political subdivisions, agencies or instrumentalities of any state contiguous to this State or with other joint agencies created pursuant to this Chapter; to dispose of by private negotiated sale or lease, or otherwise any facilities for the development, production, manufacture, procurement, handling, storage, fabrication, enrichment, processing or reprocessing of fuel of any kind or any facility or rights with respect to the supply of water; no provisions of law with respect to the disposition of property by other public bodies shall be applicable to an agency created pursuant to this Chapter unless the legislature shall specifically so state;

(14) To fix, charge and collect rents, rates, fees and charges for electric power or energy and other services, facilities and commodities sold, furnished or supplied through any project;

(15) To generate, produce, transmit, deliver, exchange, purchase, or sell for resale only, electric power or energy, and to enter into contracts for any or all such purposes:

(16) To negotiate and enter into contracts for the purchase, sale, exchange, interchange, wheeling, pooling, transmission or use of electric power and energy with any

municipality in this State or any other state owning electric distribution facilities or with any political subdivisions, agencies or instrumentalities of any other state or with other joint agencies created pursuant to this Chapter, any electric membership corporation, any public utility, and any state, federal or municipal agency which owns electric generation, transmission or distribution facilities in this State or any other state;

(17) To make and execute contracts and other instruments necessary or convenient in the exercise of the powers and functions of the joint agency under this Chapter, including contracts with persons, firms, corporations and others;

(18) To apply to the appropriate agencies of the State, the United States or any state thereof, and to any other proper agency for such permits, licenses, certificates or approvals as may be necessary, and to construct, maintain and operate projects in accordance with such licenses, permits, certificates or approvals, and to obtain, hold and use such licenses, permits, certificates and approvals in the same manner as any other person or operating unit of any other person;

(19) To employ engineers, architects, attorneys, real estate counselors, appraisers, financial advisors and such other consultants and employees as may be required in the judgment of the joint agency and to fix and pay their compensation from funds available to the joint agency therefor and to select and retain subject to approval of the Local Government Commission the financial consultants, underwriters and bond attorneys to be associated with the issuance of any bonds and to pay for services rendered by underwriters, financial consultants or bond attorneys out of the proceeds of any such issue with regard to which the services were performed; ~~and~~

(19a) To purchase power and energy, and services and facilities relating to the utilization of power and energy, from any source on behalf of its members and other customers and to furnish, sell, lease, exchange, transfer, or otherwise dispose of, or to grant options for any such purposes with respect to the same, to its members and other customers in such amounts, with such characteristics, for such periods of time and under such terms and conditions as the board of commissioners of the joint agency shall determine;

(19b) To provide aid and assistance to municipalities, and to act for or on behalf of any municipality, in any activity related to the development and implementation of integrated resource planning, including, but not limited to, the evaluation of resources, generating facilities, alternative energy resources, conservation and load management programs, transmission and distribution facilities, and purchased power options, and related to the development, construction and operation of supply-side and demand-side resources, and to do such other acts and things as provided in Article 3 of this Chapter as if the joint agency were a joint municipal assistance agency, and to carry out the powers granted in this Chapter in relation thereto; to provide aid and assistance to any joint municipal assistance agency in the exercise of its respective powers and functions; and

(20) To do all acts and things necessary, convenient or desirable to carry out the purposes, and to exercise the powers granted to the joint agency therein.

No joint agency shall undertake any project required to be financed, in whole or in part, with the proceeds of bonds without the approval of a majority of its members. Before undertaking any project, a joint agency shall, based upon engineering studies and reports, determine that such project is required to provide for the projected needs for power and energy of its members from and after the date the project is estimated to be placed in normal and continuous operation and for a reasonable period of time thereafter. Prior to or simultaneously with granting a certificate of public convenience and necessity for any such project the North Carolina Utilities Commission, in a proceeding instituted pursuant to G.S. 159B-24 of this Chapter, shall approve such determination. In determining the future power requirements of the members of a joint agency, there shall be taken into account the following:

(1) The economies and efficiencies to be achieved in constructing on a large scale facilities for the generation and transmission of electric power and energy;

(2) Needs of the joint agency for reserve and peaking capacity and to meet obligations under pooling and reserve-sharing agreements reasonably related to its needs for power and energy to which the joint agency is or may become a party;

(3) The estimated useful life of such project;

(4) The estimated time necessary for the planning, development, acquisition, or construction of such project

and the length of time required in advance to obtain, acquire or construct additional power supply for the members of the joint agency;

(5) The reliability and availability of existing alternative power supply sources and the cost of such existing alternative power supply sources.

A determination by the joint agency approved by the North Carolina Utilities Commission based upon appropriate findings of the foregoing matters shall be conclusive as to the appropriateness of a project to provide the needs of the members of a joint agency for power and energy unless a party to the proceeding aggrieved by the determination of said Commission shall file notice of appeal pursuant to Article 5 of Chapter 62 of the General Statutes of North Carolina.

Nothing herein contained shall prevent a joint agency from undertaking studies to determine whether there is a need for a project or whether such project is feasible."

Sec. 3. G.S. 159B-12 reads as rewritten:

"*§ 159B-12. Sale of capacity and output by a joint agency; other contracts with a joint agency.*

Any municipality which is a member of the joint agency may contract to buy from the joint agency power and energy for its present or future requirements, including the capacity and output of one of more specified projects. As the creation of a joint agency is an alternative method whereby a municipality may obtain the benefits and assume the responsibilities of ownership in a project, any such contract may provide that the municipality so contracting shall be obligated to make the payments required by the contract whether or not a project is completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output of a project or the power and energy contracted for, and that such payments under the contract shall not be subject to any reduction, whether by offset or otherwise, and shall not be conditioned upon the performance or nonperformance of the joint agency or any other member of the joint agency under the contract or any other instrument. Any contract with respect to the sale or purchase of capacity or output of a project entered into between a joint agency and its member municipalities may also provide that if one or more of such municipalities shall default in the payment of its or their obligations with respect to the purchase of said capacity or output, then in that event the remaining member municipalities which are purchasing capacity and output under the contract shall be required to accept and pay for and shall be entitled proportionately to and may use or otherwise dispose of the capacity or output which was to be purchased by the defaulting municipality.

Notwithstanding the provisions of any other law to the contrary, any such contract with respect to the sale or purchase of capacity, output, power or energy from a project may extend for a period not exceeding 50 years from the date a project is estimated to be placed in normal continuous operation. Notwithstanding the provisions of any law to the contrary, including, but not limited to, the provisions of G.S. 159B-44(13), any contract between a joint agency and a municipality or a joint municipal assistance agency (or between a municipality and a joint municipal assistance agency) to provide aid and assistance in the development and implementation of integrated resource planning, and the development, construction, and operation of supply-side and demand-side resources, and any contract providing for payments by any municipality directly to any joint agency (or indirectly to any joint agency through a joint municipal assistance agency) or by any joint municipal assistance agency to any joint agency for the provision of aid and assistance in the development and implementation of integrated resource planning, and the development, construction, and operation of supply-side and demand-side resources, may extend for a period not exceeding 30 years; provided, that any such contract in respect of a capital project to be used by or for the benefit of a municipality shall be subject to the prior approval of the Local Government Commission of North Carolina. In reviewing any such contract for approval, said Local Government Commission shall consider the municipality's debt management procedures and policies, whether the municipality is in default with respect to its debt service obligations and such other matters as said Local Government Commission may believe to have a bearing on whether the contract should be approved. Notwithstanding the provisions of any law to the contrary, the execution and effectiveness of any such contracts with respect to the sale or purchase of capacity, output, power or energy from a project, or of any contracts with respect to the purchase or disposition of power and energy and services and facilities related to the utilization of power and energy, or of any contracts with a municipality or joint municipal assistance agency to provide aid and assistance in the development and implementation of integrated resource planning, and the development, construction, and operation of supply-side and demand-side resources, shall not be subject to any authorizations or approvals by the State or any agency, commission or instrumentality or political subdivision thereof except as in this Chapter specifically required and provided.

Payments by a municipality under any contract for the purchase of capacity, output, or power or energy or services and facilities related to the utilization of power and energy, from a joint agency, and payments by any municipality directly to any joint agency (or indirectly to any joint agency through a joint municipal assistance

agency) under any contract or contracts to provide aid and assistance in the development and implementation of integrated resource planning, and the development, construction, and operation of supply-side and demand-side resources, shall be made solely from the revenues derived from the ownership and operation of the electric system of said municipality and any obligation under such contract shall not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the municipality or upon any of its income, receipts, or revenues, except the revenues of its electric system, and neither the faith and credit nor the taxing power of the municipality are, or may be, pledged for the payment of any obligation under any such contract. A municipality shall be obligated to fix, charge and collect rents, rates, fees and charges for electric power and energy and other services, facilities and commodities sold, furnished or supplied through its electric system sufficient to provide revenues adequate to meet its obligations under any such contract and to pay any and all other amounts payable from or constituting a charge and lien upon such revenues, including amounts sufficient to pay the principal of and interest on general obligation bonds heretofore or hereafter issued by the municipality for purposes related to its electric system.

Payments by any joint municipal assistance agency to any joint agency under any contract or contracts to provide aid and assistance in the development and implementation of integrated resource planning, and the development, construction, and operation of supply-side and demand-side resources, shall be made solely from the sources specified in such contract or contracts and no other, and any obligation under such contract shall not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the joint municipal assistance agency or upon any of its income, receipts, or revenues, except such sources so specified, or upon any property of any municipality with which the joint municipal assistance agency contracts or upon any of such municipality's income, receipts, or revenues except the revenues of such municipality's electric system. A joint municipal assistance agency shall be obligated to fix, charge and collect rents, rates, fees, and charges for providing aid and assistance sufficient to provide revenues adequate to meet its obligations under such contract.

Any municipality which is a member of a joint agency may furnish the joint agency with money derived solely from the ownership and operation of its electric system or facilities and provide the joint agency with personnel, equipment and property, both real and personal. Any municipality may also provide any services to a joint agency.

Any member of a joint agency may contract for, advance or contribute funds derived solely from the ownership and operation of its electric system or facilities to a joint agency as may be agreed upon by the joint agency and the member, and the joint agency shall repay such advances or contributions from proceeds of bonds, from operating revenues or from any other funds of the joint agency, together with interest thereon as may be agreed upon by the member and the joint agency."

Sec. 4. G.S. 159B-17(c) reads as rewritten:

"(c) Any pledge of revenues, securities or other moneys made by a ~~municipality or~~ municipality, joint agency or joint municipal assistance agency pursuant to this Chapter shall be valid and binding from the date the pledge is made. The revenues, securities, and other moneys so pledged and then held or thereafter received by the ~~municipality or~~ municipality, joint agency or joint municipal assistance agency or any fiduciary shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien of the pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the ~~municipality or~~ municipality, joint agency or joint municipal assistance agency without regard to whether such parties have notice thereof. The resolution or trust agreement or any financing statement, continuation statement or other instrument by which a pledge of revenues, securities or other moneys is created need not be filed or recorded in any manner."

Sec. 5. G.S. 159B-18 reads as rewritten:

"*§ 159B-18. Trust ~~funds.~~ funds; investment authority.*

(a) Notwithstanding any other provisions of law to the contrary, all moneys received pursuant to the authority of this Chapter, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this Chapter. The resolution authorizing the bonds of any issue or the trust agreement securing such bonds may provide that any of such moneys may be temporarily invested and reinvested pending the disbursements thereof in such securities and other investments as shall be provided in such resolution or trust agreement, and shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulation as this Chapter and such resolution or trust agreement may provide.

(b) Any moneys received pursuant to the authority of this Chapter and any other moneys available to a joint agency for investment may be invested:

(1) As provided in subsection (a) of this section;

(2) As provided in G.S. 159-30;

(3) In mortgage-backed pass-through securities guaranteed by the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Federal National Mortgage Association, which securities shall mature or be redeemable at the option of the holder within 10 years from the date of investment;

(4) In direct or indirect obligations which are collateralized by or represent beneficial ownership interests in mortgage-backed pass-through securities guaranteed by the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Federal National Mortgage Association, which obligations shall mature or be redeemable at the option of the holder within 10 years from the date of investment; and

(5) In direct or indirect obligations, trust certificates, or other similar instruments which are (i) guaranteed by the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Federal National Mortgage Association, and (ii) collateralized by or represent beneficial ownership interests in mortgage-backed pass-through securities which are guaranteed by the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, or the Federal National Mortgage Association, including but not limited to Real Estate Mortgage Investment Conduit Certificates, and which obligation, trust certificates or other similar instruments shall mature or be redeemable at the option of the holder within 10 years from the date of investment."

Sec. 6. Section 5 of this act is intended to provide additional and alternative methods for investment and shall be regarded as supplemental and additional to powers conferred by any other laws, and shall not be regarded as being in derogation of any powers now existing.

Sec. 7. Beginning January 1, 1994, and annually thereafter, each joint agency operating under the authority of Chapter 159B of the General Statutes shall file a report with the Joint Legislative Utility Review Committee describing the activities of the joint agency carried out pursuant to the authority granted by Sections 1 through 4 of this act. The report shall cover the preceding calendar year. Each joint agency shall file such additional reports as the Joint Legislative Utility Review Committee shall request.

Sec. 8. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1197 **CHAPTER 889**

AN ACT TO IMPLEMENT THE OXYGENATED AND REFORMULATED GASOLINE REQUIREMENTS OF THE 1990 AMENDMENTS TO THE FEDERAL CLEAN AIR ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-213(29a) reads as rewritten:

"~~(29a)~~ (29e) 'Title V' means Title V of the 1990 amendments to the ~~Federal~~ federal Clean Air Act (Pub. L. 101-549, 104 Stat. ~~2635~~ 2635, 42 U.S.C. § 7661 *et seq.*)."

Sec. 2. G.S. 143-213 is amended by adding two new subdivisions to read:

"(29b) 'Title II' means Title II of the 1990 amendments to the federal Clean Air Act and the National Emission Standards Act (Pub. L. 101-549, 104 Stat. 2471, 42 U.S.C. § 7521 *et seq.*).

(29d) 'Title IV' means Title IV of the 1990 amendments to the federal Clean Air Act (Pub. L. 101-549, 104 Stat. 2584, 42 U.S.C. § 7651 *et seq.*)."

Sec. 3. G.S. 143-215.107(a) reads as rewritten:

"(a) Duty to Adopt Plans, Standards, etc. -- The Commission is hereby directed and empowered, as rapidly as possible within the limits of funds and facilities available to it, and subject to the procedural requirements of this Article and Article 21:

(1) To prepare and develop, after proper study, a comprehensive plan or plans for the prevention, abatement and control of air pollution in the State or in any designated area of the State.

(2) To determine by means of field sampling and other studies, including the examination of available data collected by any local, State or federal agency or any person, the degree of air contamination and air pollution in the State and the several areas of the State.

(3) To develop and adopt, after proper study, air quality standards applicable to the State as a whole or to any designated area of the State as the Commission deems proper in order to promote the policies and purposes of this Article and Article 21 most effectively.

(4) To collect information or to require reporting from classes of sources which, in the judgment of the Environmental Management Commission, may cause or contribute to air pollution. Any person operating or responsible for the operation of air contaminant sources of any class for which

the Commission requires reporting shall make reports containing such information as may be required by the Commission concerning location, size, and height of contaminant outlets, processes employed, fuels used, and the nature and time periods or duration of emissions, and such other information as is relevant to air pollution and available or reasonably capable of being assembled.

(5) To develop and adopt such emission control standards as in the judgment of the Commission may be necessary to prohibit, abate or control air pollution commensurate with established air quality standards. Such standards may be applied uniformly to the State as a whole or to any area of the State designated by the Commission.

(6) To adopt, when necessary and practicable, a program for testing emissions from motor vehicles and to adopt motor vehicle emission standards in compliance with applicable federal regulations.

(7) To develop and adopt standards and plans necessary to implement programs for the prevention of significant deterioration and for the attainment of air quality standards in nonattainment areas.

(8) To regulate the use of sulfur dioxide allowances in accordance with Title IV ~~of the 1990 amendments to the Federal Clean Air Act (Pub. L. 101-549, 104 Stat. 2584 *et seq.*), as amended,~~ and regulations promulgated by the United States Environmental Protection Agency.

(9) To regulate the oxygen content of gasoline, to require use of reformulated gasoline as the Commission determines necessary, to implement the requirements of Title II and implementing regulations adopted by the United States Environmental Protection Agency, and to develop standards and plans to implement this subdivision. Rules adopted under this subdivision may specify standards for a particular area of the State that differ from standards specified for other areas as may be necessary to improve ambient air quality within a particular area, achieve attainment or preclude violations of the National Ambient Air Quality Standards, or to meet other federal requirements. Rules may authorize the use of marketable oxygen credits for gasoline as provided in federal requirements."

Sec. 4. Article 3 of Chapter 119 of the General Statutes is amended by adding a new section to read:

"*§ 119-26.1. Oxygen content standards and reformulated gasoline.*

(a) Rules adopted pursuant to G.S. 143-215.107(a)(9) to regulate the oxygen content of gasoline or to require the use of reformulated gasoline shall be implemented by the Department of Agriculture and the Gasoline and Oil Inspection Board. Such rules shall be implemented within any area specified by the Environmental Management Commission when the Commission certifies to the Commissioner of Agriculture that implementation:

(1) Will improve the ambient air quality within the specified county or counties;

(2) Is necessary to achieve attainment or preclude violations of the National Ambient Air Quality Standards; or

(3) Is otherwise necessary to meet federal requirements.

(b) The Department of Agriculture and the Gasoline and Oil Inspection Board may adopt rules to implement this section. Rules shall be consistent with the implementation schedule and rules adopted by the Environmental Management Commission.

(c) The Commissioner of Agriculture may assess and collect civil penalties for violations of rules adopted under G.S. 143-215.107(a)(9) or this section in accordance with G.S. 143-215.114A. The Commissioner of Agriculture may institute a civil action for injunctive relief to restrain, abate, or prevent a violation or threatened violation of rules adopted under G.S. 143-215.107(a)(9) or this section in accordance with G.S. 143-215.114C. The assessment of a civil penalty under this section and G.S. 143-215.114A or institution of a civil action under G.S. 143-215.114C and this section shall not relieve any person from any other penalty or remedy authorized under this Article.

(d) The Commissioner of Agriculture may delegate his powers and duties under this subsection to the Director of the Standards Division of the Department of Agriculture."

Sec. 5. The Department of Agriculture shall study the feasibility of implementing a program to permit averaging of oxygen content and the use of marketable oxygen credits for gasoline that exceeds oxygen content standards to offset the sale or use of gasoline with an oxygen content lower than oxygen content standards. The Department of Agriculture shall also study, in consultation with the Department of Environment, Health, and Natural Resources and local air pollution control programs certified pursuant to G.S. 143-215.112, the feasibility of concurrent local enforcement of oxygenated gasoline standards. The Department of Agriculture shall report its findings and recommendations, along with any necessary legislation or budget requests, to the Environmental Review Commission and the Environmental Management Commission. The Department shall make a preliminary report on or before 1 February 1993 and shall

complete its study and submit its final written report and recommendations on or before 1 April 1993.

Sec. 6. This act is effective on and after 1 March 1992.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 1206 **CHAPTER 890**

AN ACT TO MAKE CLARIFYING, CONFORMING, AND TECHNICAL AMENDMENTS TO VARIOUS LAWS RELATING TO ENVIRONMENT, HEALTH, AND NATURAL RESOURCES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 104G-6(b)(1b) reads as rewritten:

"(1b) Article 3D of Chapter 143 (Procurement of ~~Architectural and Engineering~~ Architectural, Engineering, and Surveying Services);".

Sec. 2. G.S. 113-29(a) reads as rewritten:

"(a) In this Article, unless the context requires otherwise, ~~the expression~~ 'Department' means the Department of Environment, Health, and Natural ~~Resources;~~ Resources; and 'Secretary' means the Secretary of Environment, Health, and Natural Resources."

Sec. 3. The catch line to G.S. 113-60.22 reads as rewritten:

"§ *113-60.22. ~~Definition.~~ Definitions.*"

Sec. 4. G.S. 113-61(a) reads as rewritten:

"(a) In this Article, unless the context requires otherwise, ~~the expression~~ 'Department' means the Department of Environment, Health, and Natural ~~Resources;~~ Resources; and 'Secretary' means the Secretary of Environment, Health, and Natural Resources."

Sec. 5. G.S. 113-138(b)(2) reads as rewritten:

"(2) The best ~~interest~~ interests of the conservation of marine and estuarine and wildlife resources managed by the adopting Commission will benefit by conferring law-enforcement authority on the employees of the United States Fish and Wildlife Service or the National Marine Fisheries Service."

Sec. 6. G.S. 113-151.1(b) reads as rewritten:

"(b) License agents shall be compensated by adding a surcharge of one dollar ($1.00) ~~[to]~~ to each license sold and retaining the one dollar ($1.00) surcharge. If more than one license is listed on a consolidated license form, the license agent shall be compensated as if a single license were sold. It is unlawful for a license agent to add more than the surcharge authorized by this section to the fee for each license sold."

Sec. 7. G.S. 113-228 reads as rewritten:

"*§ 113-228. Adoption of federal regulations.*

To the extent that the Department is granted authority in this Subchapter over subject matter as to which there is concurrent federal jurisdiction, the Marine Fisheries Commission in its discretion may by reference in its rules adopt relevant provisions of federal laws and regulations as State rules. To prevent confusion or conflict of jurisdiction in enforcement, the Marine Fisheries Commission is exempt from any conflicting limitations in G.S. ~~150B-14~~ 150B-21.6 so that it may provide for automatic incorporation by reference into its rules of future changes within any particular set of federal laws or regulations relating to some subject clearly within the jurisdiction of the Department."

Sec. 8. G.S. 113A-126(d)(3) reads as rewritten:

"(3) The Commission may assess the penalties provided for in this subsection. The Commission shall notify a person who is assessed a penalty by registered or certified mail. The notice shall state the reasons for the penalty. A person may contest a penalty by filing a petition for a contested case under G.S. 150B-23 within 20 days after receiving the notice of assessment. If a person fails to pay a penalty, the Commission shall refer the matter to the Attorney General for collection. ~~Such civil actions~~ An action to collect a penalty must be filed within three years ~~of~~ after the date the final agency decision was served on the violator."

Sec. 9. G.S. 130A-12 reads as rewritten:

"*§ 130A-12. Confidentiality of records.*

All privileged patient medical records in the possession of the Department ~~of Human Resources~~ or local health departments shall be confidential and shall not be public records pursuant to G.S. 132-1."

Sec. 10. G.S. 130A-294.1(f) reads as rewritten:

"(f) A person who generates 100 kilograms or more of hazardous waste in any calendar month during the year beginning 1 July and ending 30 June but less than 1000 kilograms of hazardous waste in each calendar month during that year shall pay an annual fee of twenty-five dollars ($25.00)."

Sec. 11. G.S. 130A-310.23 reads as rewritten:

"*§ 130A-310.23. Filing notices of ~~Superfund~~ CERCLA/SARA (Superfund) liens.*

Notices of liens and certificates of notices affecting liens for obligations payable to the United States under ~~Superfund~~ CERCLA/SARA (Superfund) (42 U.S.C. § 9607(l)) shall be filed in accordance with Article 11A of Chapter 44 of the General Statutes."

Sec. 12. G.S. 130B-8(a)(3) reads as rewritten:

"(3) Article 3D of Chapter 143 (Procurement of ~~Architectural and Engineering~~ Architectural, Engineering, and Surveying Services);".

Sec. 13. G.S. 139-47(d) reads as rewritten:

"(d) Every preliminary project investigation or recommended report concerning a watershed improvement project or drainage project that involves channelization shall be submitted to the Soil and Water Conservation Commission for review and for approval or disapproval. Such review shall be prior to, and in addition to, the review of watershed work plans provided for by G.S. 139-35. The Soil and Water Conservation Commission shall approve such investigation or report, following the public hearing held pursuant to subsection (c) of this section, if, in its judgment, the investigation or report shows that any channelization features of the proposed project are necessary to the project and that no other feasible alternatives are available. No work of improvement may be constructed or established without the approval of the preliminary project investigation or recommended report by the Soil and Water Conservation Commission pursuant to this section. The construction or establishment of any such work of improvement without such approval, or without conforming to a preliminary project investigation or recommended report approved by the Soil and Water Conservation Commission, may be enjoined. Provided, however, the provisions of this section shall not apply to the activities and functions of the North Carolina Department of ~~Human~~ Environment, Health, and Natural Resources and local health departments that are engaged in mosquito control for the protection of the health and welfare of the people of the coastal area of North Carolina as provided under G.S. ~~130-206~~ 130A-346 through ~~130-209~~. G.S. 130A-349. The Soil and Water Conservation Commission may institute an action for injunctive relief in the superior court of any county wherein such construction or establishment takes place, and the procedure in such action shall be as provided in Article 37, Chapter 1 of the General Statutes."

Sec. 14. G.S. 143-214.5(e) reads as rewritten:

"(e) Assumption of Local Programs. -- The Commission shall assume responsibility for water supply watershed protection, within all or the affected portion of a water supply watershed, if a local government fails to adopt a program that meets the requirements of this section or whenever a local government fails to adequately administer and enforce the provisions of its program. The Commission shall not assume responsibility for an approved local ~~a~~ water supply watershed protection program until it or its designee notifies the local government in writing by certified mail, return receipt requested, of local program deficiencies, recommendations for

changes and improvements in the local program, and the deadline for compliance. The Commission shall allow a local government a minimum of 120 days to bring its program into compliance. The Commission shall order assumption of an approved local program if it finds that the local government has made no substantial progress toward compliance. The Commission may make such finding at any time between 120 days and 365 days after receipt of notice under this subsection by the local government, with no further notice. Proceedings to review such orders by the Commission shall be conducted by the superior court pursuant to Article 4 of Chapter 150B of the General Statutes based on the agency record submitted to the Commission by the Secretary."

Sec. 15. G.S. 143-215(e) reads as rewritten:

"(e) Except as required by federal law or regulations, the Commission may not adopt effluent standards or limitations applicable to animal and poultry feeding operations. Notwithstanding the foregoing, where manmade pipes, ditches, or other conveyances have been constructed for the purpose of willfully discharging pollutants to the waters of the State, the ~~Commission~~ Secretary shall have the authority to assess fines and penalties not to exceed five thousand dollars ($5,000) for the first offense. The definitions and provisions of 40 Code of Federal Regulations § 122.23 (July 1, 1990 Edition) shall apply to this subsection."

Sec. 16. G.S. 143-215.3(a)(8) reads as rewritten:

"(8) After issuance of an appropriate order, to withhold the granting of any permit or permits pursuant to G.S. 143-215.1 or G.S. 143-215.108 for the construction or operation of any new or additional disposal system or systems or air-cleaning device or devices in any area of the State. Such order may be issued only upon determination by the Commission, after public hearing, that the permitting of any new or additional source or sources of water or air pollution will result in a generalized condition of water or air pollution within the area contrary to the public interest, detrimental to the public health, safety, and welfare, and contrary to the policy and intent declared in this Article or Article 21B of this Chapter. The Commission may make reasonable distinctions among the various sources of water and air pollution and may direct that its order shall apply only to those sources which it determines will result in a generalized condition of water or air pollution.

The determination of the Commission shall be supported by detailed findings of fact and conclusions set forth in the

order and based upon competent evidence of record. The order shall describe the geographical area of the State affected thereby with particularity and shall prohibit the issuance of permits pending a determination by the Commission that the generalized condition of water or air pollution has ceased.

Notice of hearing shall be given in accordance with the provisions of G.S. ~~150B-12.~~ 150B-21.2.

A person aggrieved by an order of the Commission under this subdivision may seek judicial review of the order under Article 4 of Chapter 150B of the General Statutes without first commencing a contested case. An order may not be stayed while it is being reviewed."

Sec. 17. The catch line to G.S. 143-215.94D reads as rewritten:

"*§ 143-215.94D. (Expires December 31, 1998) Noncommercial ~~leaking petroleum underground storage tank cleanup fund.~~ Leaking Petroleum Underground Storage Tank Cleanup Fund.*"

Sec. 18. G.S. 143-215.114A(g) reads as rewritten:

"(g) The Secretary may delegate his powers and duties under this section to the Director of the Division of Environmental Management ~~of the Department.~~ or other appropriate division director."

Sec. 19. G.S. 143-358 reads as rewritten:

"*§ 143-358. Cooperation of State officials and agencies.*

All State agencies and officials shall cooperate with and assist the ~~State~~ Commission in enforcing and carrying out the provisions of this Article and ~~the rules, regulations and policies adopted by the Commission pursuant thereto.~~ rules adopted by the Commission under this Article."

Sec. 20. Part 1 of Article 3 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"*§ 143B-139.6. Confidentiality of records.*

All privileged patient medical records in the possession of the Department of Human Resources shall be confidential and shall not be public records pursuant to G.S. 132-1."

Sec. 21. G.S. 143B-301.1 reads as rewritten:

"*§ 143B-301.1. Definitions.*

The definitions set out in G.S. 90A-46 shall apply ~~through~~ throughout this Part."

Sec. 22. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 810 **CHAPTER 891**

AN ACT TO PERMIT THE TOWN OF CATAWBA TO ANNEX AREAS LYING WITHIN THE CORPORATE BOUNDARIES OF THAT TOWN.

The General Assembly of North Carolina enacts:

Section 1. In addition to the authority granted by G.S. 160A-36, the Town of Catawba may adopt an ordinance annexing any territory which, on January 1, 1992, was completely enclosed by the corporate limits of the Town, provided that:

(1) The Town Council fixes a date for a public hearing on the annexation and publishes notice of the public hearing once at least 10 days before the date of the hearing; and

(2) The Town Council makes a finding based upon circumstances and evidence satisfactory to the Town Council that the annexation is necessary for the orderly growth and development of the Town.

Sec. 2. The procedure for recording any annexation under this act is as stated in G.S. 160A-39.

Sec. 3. Any annexation ordinance adopted by the Town Council under this act shall be adopted before December 31, 1992.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 978 **CHAPTER 892**

AN ACT TO PROTECT FORESTRY OPERATIONS FROM NUISANCE SUITS UNDER CERTAIN CIRCUMSTANCES.

The General Assembly of North Carolina enacts:

Section 1. Article 57 of Chapter 106 of the General Statutes reads as rewritten:

"ARTICLE 57.

"Nuisance Liability of Agricultural and Forestry Operations.

"§ *106-700. Legislative determination and declaration of policy.*

It is the declared policy of the State to conserve and protect and encourage the development and improvement of its agricultural land and forestland for the production of ~~food~~ food, fiber, and other ~~agricultural~~ products. When ~~nonagricultural~~ other land uses extend into agricultural and forest areas, agricultural and forestry operations often become the subject of nuisance suits. As a result, agricultural and forestry operations are sometimes forced to ~~cease operations.~~

cease. Many others are discouraged from making investments in farm and forest improvements. It is the purpose of this Article to reduce the loss to the State of its agricultural and forestry resources by limiting the circumstances under which an agricultural or forestry ~~operations~~ operation may be deemed to be a nuisance.

"*§ 106-701. When agricultural and forestry operation, etc., not constituted nuisance by changed conditions in locality.*

(a) No agricultural or forestry operation or any of its appurtenances shall be or become a nuisance, private or public, by any changed conditions in or about the locality thereof after the same has been in operation for more than one year, when such operation was not a nuisance at the time the operation began; provided, that the provisions of this subsection shall not apply whenever a nuisance results from the negligent or improper operation of any such agricultural or forestry operation or its appurtenances.

(b) For the purposes of this Article, 'agricultural operation' includes, without limitation, any facility for the production for commercial purposes of crops, livestock, poultry, livestock products, or poultry products.

(b1) For the purposes of this Article, 'forestry operation' shall mean those activities involved in the growing, managing, and harvesting of trees, but not sawmill operations.

(c) The provisions of subsection (a) shall not affect or defeat the right of any person, firm, or corporation to recover damages for any injuries or damages sustained by ~~them~~ him on account of any pollution of, or change in condition of, the waters of any stream or on the account of any overflow of lands of any such person, firm, or corporation.

(d) Any and all ordinances of any unit of local government now in effect or hereafter adopted that would make the operation of any such agricultural or forestry operation or its appurtenances a nuisance or providing for abatement thereof as a nuisance in the circumstance set forth in this section are and shall be null and void; provided, however, that the provisions of this subsection shall not apply whenever a nuisance results from the negligent or improper operation of any such agricultural or forestry operation or any of its appurtenances. Provided further, that the provisions shall not apply whenever a nuisance results from an agricultural or forestry operation located within the corporate limits of any city at the time of enactment hereof.

(e) This section shall not be construed to invalidate any contracts heretofore made but insofar as contracts are concerned, it is only applicable to contracts and agreements to be made in the future."

Sec. 2. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1389 **CHAPTER 893**

AN ACT TO REQUIRE STATE CONSTRUCTION SITE SAFETY STUDY AND THE DESIGNATION OF SAFETY OFFICERS ON STATE CONSTRUCTION SITES AND TO REQUIRE MINORITY AND WOMEN REPRESENTATION ON THE STATE BUILDING COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-135.26 reads as rewritten:

"*§ 143-135.26. Powers and duties of the Commission.*

The State Building Commission shall have the following powers and duties with regard to the State's capital facilities development and management program:

(1) To adopt rules establishing standard procedures and criteria to assure that the designer selected for each State capital improvement project and the consultant selected for planning and studies of an architectural and engineering nature associated with a capital improvement project or a future capital improvement project has the qualifications and experience necessary for that capital improvement project or the proposed planning or study project. The rules shall provide that the State Building Commission, after consulting with the funded agency, is responsible and accountable for the final selection of the designer and the final selection of the consultant except when the General Assembly or The University of North Carolina is the funded agency. When the General Assembly is the funded agency, the Legislative Services Commission is responsible and accountable for the final selection of the designer and the final selection of the consultant, and when the University is the funded agency, it shall be subject to the rules adopted hereunder, except it is responsible and accountable for the final selection of the designer and the final selection of the consultant. All designers and consultants shall be selected within 60 days of the date funds are appropriated for a project by the General Assembly or the date of project authorization by the Director of the Budget: provided, however, the State Building Commission may grant an exception to this requirement upon written request of the funded agency if (i) no site was

selected for the project before the funds were appropriated or (ii) funds were appropriated for advance planning only.

The State Building Commission shall submit a written report to the Joint Legislative Commission on Governmental Operations on the Commission's selection of a designer for a project within 30 days of selecting the designer.

(2) To adopt rules for coordinating the plan review, approval, and permit process for State capital improvement projects.

(3) To adopt rules for establishing a post-occupancy evaluation, annual inspection and preventive maintenance program for all State buildings.

(4) To develop procedures for evaluating the work performed by designers and contractors on State capital improvement projects and for use of the evaluations as a factor affecting designer selections and determining qualification of contractors to bid on State capital improvement projects.

(5) To continuously study and recommend ways to improve the effectiveness and efficiency of the State's capital facilities development and management program.

(6) To request designers selected prior to April 14, 1987, whose plans for the projects have not been approved to report to the Commission on their progress on the projects. The Department of Administration shall provide the Commission with a list of all such projects.

(7) To appoint an advisory board, if the Commission deems it necessary, to assist the Commission in its work. No one other than the Commission may appoint an advisory board to assist or advise it in its ~~work.~~ work; and

~~The Commission shall submit an annual report of its activities to the Governor and the Joint Legislative Commission on Governmental Operations.~~

(8) To review the State's provisions for ensuring the safety and health of employees involved with State capital improvement projects, and to recommend to the appropriate agencies and to the General Assembly, after consultation with the Commissioner of Labor, changes in the terms and conditions of construction contracts, State regulations, or State laws that will enhance employee safety and health on these projects.

The Commission shall submit an annual report of its activities to the Governor and the Joint Legislative Commission on Governmental Operations."

Sec. 2. G.S. 143-135.25(c) reads as rewritten:

"(c) The Commission shall consist of nine members qualified and appointed as follows:

(1) A licensed architect whose primary practice is or was in the design of buildings, chosen from among not more than three persons nominated by the North Carolina Chapter of the American Institute of Architects, appointed by the Governor.

(2) A registered engineer whose primary practice is or was in the design of engineering systems for buildings, chosen from among not more than three persons nominated by the Consulting Engineers Council and the Professional Engineers of North Carolina, appointed by the General Assembly upon the recommendation of the President of the Senate in accordance with G.S. 120-121.

(3) A licensed building contractor whose primary business is or was in the construction of buildings, or an employee of a company holding a general contractor's license, chosen from among not more than three persons nominated by the Carolinas AGC (Associated General Contractors), appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

(4) A licensed electrical contractor whose primary business is or was in the installation of electrical systems for buildings, chosen from among not more than three persons nominated by the North Carolina Association of Electrical Contractors, and the Carolinas Electrical Contractors' Association, appointed by the Governor.

(5) A public member appointed by the General Assembly upon the recommendation of the President of the Senate in accordance with G.S. 120-121.

(6) A licensed mechanical contractor whose primary business is or was in the installation of mechanical systems for buildings, chosen from among not more than three persons nominated by the North Carolina Association of Plumbing, Heating, Cooling Contractors, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

(7) An employee of the university system currently involved in the capital facilities development process, chosen from among not more than three persons nominated by the Board of Governors of The University of North Carolina, appointed by the Governor.

(8) A public member who is knowledgeable in the building construction or building maintenance area, appointed by the General Assembly upon the recommendation of the President of the Senate in accordance with G.S. 120-121.

(9) A manager of physical plant operations whose responsibilities are or were in the operations and maintenance of physical facilities, chosen from among not more than three persons nominated by the North Carolina Association of Physical Plant Administrators, appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

The members shall be appointed for staggered three-year terms: The initial appointments to the Commission shall be made within 15 days of the effective date of this act. The initial terms of members appointed pursuant to subdivisions (1), (2), and (3) shall expire June 30, 1990; the initial terms of members appointed pursuant to (4), (5), and (6) shall expire June 30, 1989; and the initial terms of members appointed pursuant to (7), (8), and (9) shall expire June 30, 1988. Members may serve no more than six consecutive years. In making new appointments or filling vacancies, the Governor shall ensure that minorities and women are represented on the Commission.

Vacancies in appointments made by the Governor shall be filled by the Governor for the remainder of the unexpired terms. Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122. Persons appointed to fill vacancies shall qualify in the same manner as persons appointed for full terms.

The chairman of the Commission shall be elected by the Commission. The Secretary of State shall serve as chairman until a chairman is elected."

Sec. 3. Chapter 143 of the General Statutes is amended by adding a new section to read:

"*§ 143-135.7. Safety officers.*

Each contract for a State capital improvement project, as defined in Article 8B of this Chapter, shall require the contractor to designate a responsible person as safety officer to inspect the project site for unsafe health and safety hazards, to report these hazards to the contractor for correction, and to provide other safety and health measures on the project site as required by the terms and conditions of the contract."

Sec. 4. This act is effective upon ratification. Section 3 applies to contracts entered into on or after the effective date of this act.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1392 **CHAPTER 894**

AN ACT TO REQUIRE EMPLOYERS TO REPORT AT LEAST ANNUALLY ON FATALITIES AND SERIOUS INJURIES IN THE WORKPLACE, TO REQUIRE THE REPORTING OF CERTAIN SAFETY DATA TO THE COMMISSIONER OF LABOR BY VARIOUS AGENCIES, AND TO ENSURE, WHERE APPROPRIATE, THE CONFIDENTIALITY OF DATA RELEASED TO THE COMMISSIONER.

The General Assembly of North Carolina enacts:

Section 1. G.S. 95-143 reads as rewritten:

"*§ 95-143. Record keeping and reporting.*

(a) Each employer shall make available to the Commissioner, or his agents, in such manner as the Commissioner shall require, copies of the same records and reports regarding his activities relating to this Article as are required to be made, kept, or preserved by section 8(c) of the Federal Occupational Safety and Health Act of 1970 (P.L. 91-596) and regulations made pursuant thereto.

(b) Each employer shall make, keep and preserve and make available to the Commissioner such records regarding his activities relating to this Article as the Commissioner may prescribe by regulation as necessary and appropriate for the enforcement of this Article or for developing information regarding the causes and prevention of occupational accidents and illnesses. In order to carry out the provisions of this section such regulations may include provisions requiring employers to conduct periodic inspections. The Commissioner shall also issue regulations requiring that employers, through posting of notices or other appropriate means, keep the employees informed of their protections and obligations under this Article, including the provisions of applicable standards. The Commissioner shall prescribe regulations requiring employers to maintain accurate records of, and to make ~~periodic~~ reports at least annually on, work-related deaths, injuries and illnesses other than minor injuries requiring only first-aid treatment and which do not involve medical treatment, loss of consciousness, restriction of work or motion, or transfer to another job.

(c) The Commissioner shall issue regulations requiring employers to maintain accurate records of employee exposure to potentially toxic materials of [or] harmful physical agents which are required to be monitored or measured under this Article. Such regulations shall provide employees or their representatives with an opportunity to observe such monitoring or measuring, and to have access to the records thereof. Such regulations shall also make appropriate

provisions for each employee or former employee to have access to such records as will indicate his own exposure to toxic materials or harmful physical agents. Each employer shall promptly notify any employee who has been or is being exposed to toxic materials or harmful physical agents in concentrations or at levels which exceed those prescribed by an applicable safety and health standard promulgated under this Article and shall inform any employee who is being thus exposed of the corrective action being taken.

(d) Any information obtained by the Commissioner or his duly authorized agents under this Article shall be obtained with a minimum burden upon employers, especially those operating small businesses. Unnecessary duplication of efforts in obtaining information shall be reduced to the maximum extent feasible."

Sec. 2. G.S. 97-81 reads as rewritten:

"*§ 97-81. Blank forms and literature; statistics; safety provisions; accident reports; studies and investigations and recommendations to General Assembly; to cooperate with other agencies for prevention of injury.*

(a) The Commission shall prepare and cause to be printed, and upon request furnish, free of charge to any employee or employer, such blank forms and literature as it shall deem requisite to facilitate or prompt the efficient administration of this Article.

(b) The Commission shall tabulate the accident reports received from employers in accordance with G.S. 97-92 and shall publish the same in the annual report of the Commission and as often as it may deem advisable, in such detailed or aggregate form as it may deem best. The name of the employer or employee shall not appear in such publications, and the employers' reports shall be private records of the Commission, and shall not be open for public inspection except for the inspection of the parties directly involved, and only to the extent of such ~~interest.~~ interest, and except for inspection by the Department of Labor and other State or federal agencies pursuant to subsections (d) and (e) of this section. These reports shall not be used as evidence against any employer in any suit at law brought by any employee for the recovery of damages.

(c) The Commission shall make studies and investigations with respect to safety provisions and the causes of injuries in employments covered by this Article, and shall from time to time make to the General Assembly and to employers and carriers such recommendations as it may deem proper as to the best means of preventing such injuries.

(d) In making such studies and investigations the Commission ~~is authorized~~ shall:

(1) ~~To cooperate~~ Cooperate with any agency of the United States charged with the duty of enforcing any law securing safety against injury in any employment covered by this Article, or with any State agency engaged in enforcing any laws to assure safety for employees, and

(2) ~~To permit~~ Permit any such agency to have access to the records of the Commission.

In carrying out the provisions of this section the Commission or any officer or employee of the Commission is authorized to enter at any reasonable time upon any premises, tracks, wharf, dock, or other landing place, or to enter any building, where an employment covered by this Article is being carried on, and to examine any tool, appliance, or machinery used in such employment.

(e) The Commission shall, upon written request from the Commissioner of Labor, provide from the Commission's records the following information from claims filed by employees, and from employer reports of injury to an employee required by G.S. 97-92:

(1) Name and business address of the employer;

(2) Type of business of the employer;

(3) Date the accident, illness, or injury occurred;

(4) Nature of the injury or disease reported; and

(5) Whether compensation for disability or medical expenses was paid to the injured employee.

Information provided to the Commissioner of Labor pursuant to this subsection, and to other State and federal agencies pursuant to subsection (d) of this section, shall be private and exempt from public inspection to the same extent that records of the Commission are so exempt."

Sec. 3. G.S. 97-92(b) reads as rewritten:

"(b) The records of the Commission, insofar as they refer to accidents, injuries, and settlements shall not be open to the public, but only to the parties satisfying the Commission of their interest in such records and the right to inspect ~~them.~~ them, and to State and federal agencies pursuant to G.S. 97-81."

Sec. 4. Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-36-16. Bureau to share information with Department of Labor.*

The Bureau shall provide to the Department of Labor information from the Bureau's records indicating each employer's experience rate modifier established for the purpose of setting premium rates for workers' compensation insurance and the name and business address of each employer whose workers' compensation coverage is provided through the assigned-risk pool pursuant to G.S. 58-36-1. Information provided to the Department of Labor with respect to experience rate

modifiers shall include the name of the employer and the employer's most current intrastate or interstate experience rate modifier. The information provided to the Department under this section shall be confidential and not open for public inspection. The Bureau shall be immune from civil liability for erroneous information released by the Bureau pursuant to this section, provided that the Bureau acted in good faith and without malicious or wilful intent to harm in releasing the erroneous information."

Sec. 5. Chapter 58 of the General Statutes is amended by adding a new section to read:

"*§ 58-2-230. Commissioner to share information with Department of Labor.*

The Commissioner shall provide or cause to be provided to the Department of Labor, on an annual basis, the name and business address of every employer that is self-insured for workers' compensation. Information provided or caused to be provided by the Commissioner to the Department of Labor under this section is confidential and not open for public inspection under G.S. 132-6."

Sec. 6. G.S. 130A-385 is amended by adding a new subsection to read:

"(e) In cases where death occurred due to an injury received in the course of the decedent's employment, the Chief Medical Examiner shall forward to the Commissioner of Labor a copy of the medical examiner's report of the investigation, including the location of the fatal injury and the name and address of the decedent's employer at the time of the fatal injury. The Chief Medical Examiner shall forward this report within 30 days of receipt of the information from the medical examiner."

Sec. 7. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1393 **CHAPTER 895**

AN ACT TO CLARIFY THE ENFORCEMENT OF THE BUILDING CODE BY A MUNICIPALITY IN ITS EXTRATERRITORIAL JURISDICTION AND TO PROVIDE FOR APPOINTMENTS TO THE BUILDING CODE COUNCIL.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-138(e) reads as rewritten:

"(e) Effect upon Local Codes. -- The North Carolina State Building Code shall apply throughout the State, from the time of its adoption. However, any political subdivision of the State may adopt a

building code or building rules and regulations governing construction or a fire prevention code within its jurisdiction. The territorial jurisdiction of any municipality or county for this purpose, unless otherwise specified by the General Assembly, shall be as follows: Municipal jurisdiction shall include all areas within the corporate limits of the ~~municipality;~~ municipality and extraterritorial jurisdiction areas established as provided in G.S. 160A-360 or a local act; county jurisdiction shall include all other areas of the county. No such code or regulations, other than those permitted by G.S. 160A-436, shall be effective until they have been officially approved by the Building Code Council as providing adequate minimum standards to preserve and protect health and safety, in accordance with the provisions of subsection (c) above. While it remains effective, such approval shall be taken as conclusive evidence that a local code or local regulations supersede the State Building Code in its particular political subdivision. Whenever the Building Code Council adopts an amendment to the State Building Code, it shall consider any previously approved local regulations dealing with the same general matters, and it shall have authority to withdraw its approval of any such local code or regulations unless the local governing body makes such appropriate amendments to that local code or regulations as it may direct. In the absence of approval by the Building Code Council, or in the event that approval is withdrawn, local codes and regulations shall have no force and effect. Provided any local regulations approved by the local governing body which are found by the Council to be more stringent than the adopted statewide fire prevention code and which are found to regulate only activities and conditions in buildings, structures, and premises that pose dangers of fire, explosion or related hazards, and are not matters in conflict with the State Building Code, shall be approved."

Sec. 2. G.S. 143-136(a) reads as rewritten:

"(a) Creation; Membership; Terms. -- There is hereby created a Building Code Council, which shall be composed of ~~13~~ 15 members appointed by the Governor, consisting of one registered architect, one licensed general contractor, one registered architect or licensed general contractor specializing in residential design or construction, one registered engineer practicing structural engineering, one registered engineer practicing mechanical engineering, one registered engineer practicing electrical engineering, one licensed plumbing and heating contractor, one municipal or county building inspector, one licensed liquid petroleum gas dealer/contractor involved in the design of natural and liquid petroleum gas systems who has expertise and experience in natural and liquid petroleum gas piping, venting and appliances, a representative of the public who is not a member of the

building construction industry, a licensed electrical contractor, a registered engineer on the engineering staff of a State agency charged with approval of plans of State-owned buildings, a municipal elected official or city manager, a county commissioner or county manager, and an active member of the North Carolina fire service with expertise in fire safety. In selecting the municipal and county members, preference should be given to members who qualify as either a registered architect, registered engineer, or licensed general contractor. Of the members initially appointed by the Governor, three shall serve for terms of two years each, three shall serve for terms of four years each, and three shall serve for terms of six years each. Thereafter, all appointments shall be for terms of six years. The Governor may remove appointive members at any time. Neither the architect nor any of the above named engineers shall be engaged in the manufacture, promotion or sale of any building material, and any member who shall, during his term, cease to meet the qualifications for original appointment (through ceasing to be a practicing member of the profession indicated or otherwise) shall thereby forfeit his membership on the Council. In making new appointments or filling vacancies, the Governor shall ensure that minorities and women are represented on the Council.

The Governor may make appointments to fill the unexpired portions of any terms vacated by reason of death, resignation, or removal from office. In making such appointment, he shall preserve the composition of the Council required above."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1446 **CHAPTER 896**

AN ACT TO ALLOW CITIES AND COUNTIES TO USE PROPERTY TAXES TO SUPPORT PUBLIC TRANSPORTATION WITHOUT CALLING A REFERENDUM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-149(c) reads as rewritten:

"(c) Each county may levy property taxes for one or more of the purposes listed in this subsection up to a combined rate of one dollar and fifty cents ($1.50) on the one hundred dollars ($100.00) appraised value of property subject to taxation. Authorized purposes subject to the rate limitation are:

(1) To provide for the general administration of the county through the board of county commissioners, the office of

the county manager, the office of the county budget officer, the office of the county finance officer, the office of the county assessor, the office of the county tax collector, the county purchasing agent, and the county attorney, and for all other general administrative costs not allocated to a particular board, commission, office, agency, or activity of the county.

(2) Agricultural Extension. -- To provide for the county's share of the cost of maintaining and administering programs and services offered to agriculture by or through the Agricultural Extension Service or other agencies.

(3) Air Pollution. -- To maintain and administer air pollution control programs.

(4) Airports. -- To establish and maintain airports and related aeronautical facilities.

(5) Ambulance Service. -- To provide ambulance services, rescue squads, and other emergency medical services.

(6) Animal Protection and Control. -- To provide animal protection and control programs.

(6a) Arts Programs and Museums. -- To provide for arts programs and museums as authorized in G.S. 160A-488.

(6b) Auditoriums, coliseums, and convention and civic centers. -- To provide public auditoriums, coliseums, and convention and civic centers.

(7) Beach Erosion and Natural Disasters. -- To provide for shoreline protection, beach erosion control, and flood and hurricane protection.

(8) Cemeteries. -- To provide for cemeteries.

(9) Civil Preparedness. -- To provide for civil preparedness programs.

(10) Debts and Judgments. -- To pay and discharge any valid debt of the county or any judgment lodged against it, other than debts and judgments evidenced by or based on bonds and notes.

(10a) Defense of Employees and Officers. -- To provide for the defense of, and payment of civil judgments against, employees and officers or former employees and officers, as authorized by this Chapter.

(10b) Economic Development. -- To provide for economic development as authorized by G.S. 158-12.

(11) Fire Protection. -- To provide fire protection services and fire prevention programs.

(12) Forest Protection. -- To provide forest management and protection programs.

(13) Health. -- To provide for the county's share of maintaining and administering services offered by or through the county or district health department.

(14) Historic Preservation. -- To undertake historic preservation programs and projects.

(15) Hospitals. -- To establish, support and maintain public hospitals and clinics, and other related health programs and facilities, or to aid any private, nonprofit hospital, clinic, related facility, or other health program or facility.

(15a) Housing Rehabilitation. -- To provide for personnel costs related to planning and administration of housing rehabilitation programs authorized by G.S. 153A-376. This subdivision only applies to counties with a population of 400,000 or more, according to the most recent decennial federal census.

(16) Human Relations. -- To undertake human relations programs.

(16a) Industrial Development. -- To provide for industrial development as authorized by G.S. 158-7.1.

(17) Joint Undertakings. -- To cooperate with any other county, city, or political subdivision in providing any of the functions, services, or activities listed in this subsection.

(18) Law Enforcement. -- To provide for the operation of the office of the sheriff of the county and for any other county law-enforcement agency not under the sheriff's jurisdiction.

(19) Libraries. -- To establish and maintain public libraries.

(20) Mapping. -- To provide for mapping the lands of the county.

(21) Medical Examiner. -- To provide for the county medical examiner or coroner.

(22) Mental Health. -- To provide for the county's share of the cost of maintaining and administering services offered by or through the area mental health, developmental disabilities, and substance abuse authority.

(23) Open Space. -- To acquire open space land and easements in accordance with Article 19, Part 4, Chapter 160A of the General Statutes.

(24) Parking. -- To provide off-street lots and garages for the parking and storage of motor vehicles.

(25) Parks and Recreation. -- To establish, support and maintain public parks and programs of supervised recreation.

(26) Planning. -- To provide for a program of planning and regulation of development in accordance with Article 18 of this Chapter and Article 19, Parts 3A and 6, of Chapter 160A of the General Statutes.

~~(27)~~ (26a) Ports and Harbors. -- To participate in programs with the North Carolina Ports Authority and provide for harbor masters.

(27) Public Transportation. -- To provide public transportation by rail, motor vehicle, or another means of conveyance other than a ferry, including any facility or equipment needed to provide the public transportation. This subdivision does not authorize a county to provide public roads in the county in violation of G.S. 136-51.

(27a) Railway Corridor Preservation. -- To acquire property for railroad corridor preservation as authorized by G.S. 160A-498.

(28) Register of Deeds. -- To provide for the operation of the office of the register of deeds of the county.

(29) Sewage. -- To provide sewage collection and treatment services as defined in G.S. 153A-274(2).

(30) Social Services. -- To provide for the public welfare through the maintenance and administration of public assistance programs not required by Chapters 108A and 111 of the General Statutes, and by establishing and maintaining a county home.

(31) Solid Waste. -- To provide solid waste collection and disposal services, and to acquire and operate landfills.

(31a) Stormwater. -- To provide structural and natural stormwater and drainage systems of all types.

(32) Surveyor. -- To provide for a county surveyor.

(33) Veterans' Service Officer. -- To provide for the county's share of the cost of services offered by or through the county veterans' service officer.

(34) Water. -- To provide water supply and distribution systems.

(35) Watershed Improvement. -- To undertake watershed improvement projects.

(36) Water Resources. -- To participate in federal water resources development projects.

(37) Armories. -- To supplement available State or federal funds to be used for the construction (including the acquisition of land), enlargement or repair of armory facilities for the North Carolina national guard."

Sec. 2. G.S. 160A-209(c) reads as rewritten:

"(c) Each city may levy property taxes for one or more of the following purposes subject to the rate limitation set out in subsection (d):

(1) Administration. -- To provide for the general administration of the city through the city council, the office of the city manager, the office of the city budget officer, the office of the city finance officer, the office of the city tax collector, the city purchasing agent, the city attorney, and for all other general administrative costs not allocated to a particular board, commission, office, agency, or activity.

(2) Air Pollution. -- To maintain and administer air pollution control programs.

(3) Airports. -- To establish and maintain airports and related aeronautical facilities.

(4) Ambulance Service. -- To provide ambulance services, rescue squads, and other emergency medical services.

(5) Animal Protection and Control. -- To provide animal protection and control programs.

(5a) Arts Programs and Museums. -- To provide for arts programs and museums as authorized in G.S. 160A-488.

(6) Auditoriums, Coliseums, and Convention Centers. -- To provide public auditoriums, coliseums, and convention centers.

(7) Beach Erosion and Natural Disasters. -- To provide for shoreline protection, beach erosion control and flood and hurricane protection.

(8) Cemeteries. -- To provide for cemeteries.

(9) Civil Defense. -- To provide for civil defense programs.

(9a) Community Development. -- To provide for community development as authorized by G.S. 160A-456 and 160A-457.

(10) Debts and Judgments. -- To pay and discharge any valid debt of the city or any judgment lodged against it, other than debts or judgments evidenced by or based on bonds or notes.

(10a) Defense of Employees and Officers. -- To provide for the defense of, and payment of civil judgments against, employees and officers or former employees and officers, as authorized by this Chapter.

(10b) Economic Development. -- To provide for economic development as authorized by G.S. 158-12.

(10c) Drainage. -- To provide for drainage projects or programs in accordance with Chapter 156 of the General Statutes or in accordance with this Chapter.

(11) Elections. -- To provide for all city elections and referendums.

(12) Electric Power. -- To provide electric power generation, transmission, and distribution services.

(13) Fire Protection. -- To provide fire protection services and fire prevention programs.

(14) Gas. -- To provide natural gas transmission and distribution services.

(15) Historic Preservation. -- To undertake historic preservation programs and projects.

(15a) Housing. -- To undertake housing projects as defined in G.S. 157-3, and urban homesteading programs under G.S. 160A-457.2.

(16) Human Relations. -- To undertake human relations programs.

(17) Hospitals. -- To establish, support and maintain public hospitals and clinics, and other related health programs and facilities, and to aid any private, nonprofit hospital, clinic, related facility, or other health program or facility.

(17a) Industrial Development. -- To provide for industrial development as authorized by G.S. 158-7.1.

(18) Jails. -- To provide for the operation of a jail and other local confinement facilities.

(19) Joint Undertakings. -- To cooperate with any other county, city, or political subdivision of the State in providing any of the functions, services, or activities listed in this subsection.

(20) Libraries. -- To establish and maintain public libraries.

(21) Mosquito Control.

(22) Off-Street Parking. -- To provide off-street lots and garages for the parking and storage of motor vehicles.

(23) Open Space. -- To acquire open space land and easements in accordance with Article 19, Part 4, of this Chapter.

(24) Parks and Recreation. -- To establish, support and maintain public parks and programs of supervised recreation.

(25) Planning. -- To provide for a program of planning and regulation of development in accordance with Article 19 of this Chapter.

(26) Police. -- To provide for law enforcement.

~~(27)~~ (26a) Ports and Harbors. -- To participate in programs with the North Carolina Ports Authority and to provide for harbor masters.

(27) Public Transportation. -- To provide public transportation by rail, motor vehicle, or another means of conveyance other than a ferry, including any facility or equipment needed to provide the public transportation.

(27a) Railroad Corridor Preservation. -- To acquire property for railroad corridor preservation.

(27b) Senior Citizens Programs. -- To undertake programs for the assistance and care of its senior citizens.

(28) Sewage. -- To provide sewage collection and treatment services as defined in G.S. 160A-311(3).

(29) Solid Waste. -- To provide solid waste collection and disposal services, and to acquire and operate landfills.

(30) Streets. -- To provide for the public streets, sidewalks, and bridges of the city.

(31) Traffic Control and On-Street Parking. -- To provide for the regulation of vehicular and pedestrian traffic within the city, and for the parking of motor vehicles on the public streets.

(31a) Urban Redevelopment. -- To provide for urban redevelopment.

(32) Water. -- To provide water supply and distribution services.

(33) Water Resources. -- To participate in federal water resources development projects.

(34) Watershed Improvement. -- To undertake watershed improvement projects."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1566 **CHAPTER 897**

AN ACT TO INCREASE THE BENEFITS OF THE HENDERSON FIREMEN'S SUPPLEMENTAL RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. Section 4 of Chapter 810 of the 1959 Session Laws, as amended by Chapter 374 of the 1969 Session Laws, Chapter 133 of the 1977 Session Laws, Chapter 111 of the 1981 Session Laws, and Chapter 173 of the 1987 Session Laws, is further amended by deleting the sentences beginning with "Each retired firemen receiving

supplemental benefits...." and ending with "...shall be paid to the deceased fireman's personal representative.", and by substituting the following:

"Each retired fireman receiving a supplemental benefit in accordance with this act shall receive the same amount of supplemental benefit per month. Commencing July 1, 1992, the maximum payment to any retired member of the Henderson City Fire Department from the Fund is three hundred dollars ($300.00) per month. In the event a fireman dies while receiving a supplemental benefit, but within 10 years of the date of that fireman's first receiving the supplemental benefit, the Board of Trustees shall continue paying the supplemental benefit for the deceased fireman to his surviving spouse, or, if there is no surviving spouse, then to the persons entitled to receive his residuary estate, until the total months during which a supplemental benefit is paid to the fireman, his surviving spouse, and his estate equals 120 months. All amounts received for the Fund, except eighty percent (80%) of the interest and funds received from other sources, which is to be used for the payment of supplemental benefits to retired members of the Henderson City Fire Department, provided, together with any part of the eighty percent (80%) which is not paid out during the fiscal year, shall become a part of the Fund and may be invested as provided in this act."

Sec. 2. Subsection (e) of Section 2 of Chapter 810 of the 1959 Session Laws, as amended, is rewritten to read:

"(e) The board of trustees may purchase with funds received under and by virtue of their office, bonds of the City of Henderson, Vance County, the State of North Carolina, or of the United States government, and United States Treasury Certificates, and may further purchase certificates of deposit or interest bearing accounts of federal and State chartered banks or savings and loan associations not exceeding the amount guaranteed by the federal government or the Federal Deposit Insurance Corporation."

Sec. 3. Nothing in this act creates a liability for the Henderson Firemen's Supplemental Retirement System unless there are sufficient current assets available in the System to pay fully for the liability.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1569 **CHAPTER 898**

AN ACT TO AUTHORIZE BOARDS OF EDUCATION IN RICHMOND COUNTY TO CONVEY PROPERTY TO THE

COUNTY IN CONNECTION WITH IMPROVEMENTS AND REPAIR OF THE PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding the provisions of G.S. 115C-518 and G.S. 160A-274, a local board of education may lease or sell any of its property to the board of commissioners of the county in which the property is located for any price negotiated between the two boards.

Sec. 2. This act applies only to Richmond County and to local boards of education for school administrative units in or for Richmond County. This act applies only to sales and leases of property in connection with additions, improvements, renovations, or repairs to the property or to some part of the property.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1583 **CHAPTER 899**

AN ACT TO CLARIFY THE AUTHORITY OF THE DEPARTMENT OF ADMINISTRATION TO ADOPT RULES TO IMPLEMENT THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971 AND OF STATE AGENCIES TO ADOPT RULES ESTABLISHING MINIMUM CRITERIA.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 113A of the General Statutes is amended by adding a new section to read:

"*§ 113A-11. Adoption of rules.*

(a) The Department of Administration shall adopt rules to implement this Article.

(b) Each State agency may adopt rules that establish minimum criteria. Minimum criteria designate particular actions or classes of actions for which the preparation of the detailed statement described in G.S. 113A-4(2) is not required. An agency may include a particular action or class of actions in its minimum criteria only if the agency makes a specific finding that the action or class of actions has no significant impact on the environment. Rules establishing minimum criteria shall be consistent with rules adopted by the Department of Administration. In addition to all other rule-making requirements, rules establishing minimum criteria are subject to approval by the Secretary of Administration."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

H.B. 1340 **CHAPTER 900**

AN ACT TO MODIFY THE APPROPRIATIONS AND BUDGET REVENUE ACT OF 1991, AS AMENDED, AND TO MAKE OTHER CHANGES IN THE BUDGET OPERATION OF THE STATE.

The General Assembly of North Carolina enacts:

INTRODUCTION

Section 1. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes and, except as allowed by the Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the end of each fiscal year.

TITLE OF ACT

Sec. 2. This act shall be known as "The Current Operations Appropriations Act of 1992."

PART 1. GENERAL FUND APPROPRIATIONS

CURRENT OPERATIONS/STATE GOVERNMENT

Sec. 3. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated, are made for the fiscal year ending June 30, 1993, according to the schedule that follows. The amounts set out in the schedule are in addition to other appropriations from the General Fund for these purposes for the 1992-93 fiscal year. Amounts set out in brackets are reductions from General Fund appropriations for the 1992-93 fiscal year.

Current Operations/State Government	1992-93
Judicial Department	$ 7,400,000
Department of the Governor	
01. Office of State Budget and Management-Special Appropriations	850,000

Department of State Auditor	1,084
Department of State Treasurer	265,000
Department of Public Education	
01. Aid to Local School Administrative Units	(13,372,501)
02. Department of Public Instruction	4,300,000
Department of Justice	914,291
Department of Administration	
01. Administration	1,546,204
02. State Controller	2,200,000
Department of Agriculture	299,234
Department of Labor	3,700,602
Department of Insurance	1,139,944
Department of Transportation	
01. Aeronautics	2,666,666
Department of Environment, Health, and Natural Resources	7,180,925
Administrative Rules Review Commission	4,500
Department of Human Resources	
01. Alcohol Drug Abuse Treatment Center - Black Mountain	(72,569)
02. Alcohol Drug Abuse Treatment Center - Butner	40,040
03. Alcohol Drug Abuse Treatment Center - Greenville	2,719
04. N.C. Special Care Center	(898,821)
05. Black Mountain Center	(1,196,424)
06. DHR - Secretary	125,000
07. Division of Aging	
08. Schools for the Deaf and Hard of Hearing	
09. Social Services	11,619,302
10. Medical Assistance	5,661,893

11. Social Services - State Aid to Non-State Agencies	1,095,960
12. Division of Mental Health, Developmental Disabilities, and Substance Abuse Services	13,343,135
13. Dorothea Dix Hospital	(1,808,829)
14. Broughton Hospital	(1,148,100)
15. Cherry Hospital	(1,468,425)
16. John Umstead Hospital	(1,525,069)
17. Western Carolina Center	542,516
18. O'Berry Center	(973,982)
19. Murdoch Center	(1,058,265)
20. Caswell Center	(409,736)
21. Division of Facility Services	12,671,793
22. Division of Vocational Rehabilitation Services	380,000
23. Division of Youth Services	1,891,170
Total Department of Human Resources	36,813,308
Department of Correction	7,800,400
Department of Economic and Community Development	
01. Economic and Community Development	3,662,649
02. Rural Economic Development Center	2,275,000
Department of Revenue	615,591
Department of Crime Control and Public Safety	877,782
University of North Carolina - Board of Governors	
01. General Administration	(1,000,000)
02. University Institutional Program	(614,869)
03. University of North Carolina at Chapel Hill	
a. Academic Affairs	(855,000)
b. Health Affairs	(659,872)
04. North Carolina State University	

at Raleigh	
a. Academic Affairs	(950,000)
05. University of North Carolina at Greensboro	(344,000)
06. University of North Carolina at Charlotte	(15,000)
07. University of North Carolina at Wilmington	(55,000)
08. East Carolina University	
a. Academic Affairs	(86,000)
b. Division of Health Affairs	(1,000,000)
09. Fayetteville State University	(54,000)
10. North Carolina Central University	(75,000)
11. UNC Hospitals at Chapel Hill	(5,969,239)
Total University of North Carolina - Board of Governors	(11,677,980)
Department of Community Colleges	10,736,477
State Board of Elections	24,475
Reserve for Salary Reduction - Positions Vacated by Retirement	(19,500,000)
Reserve for Salary Increases	115,140,128
Salary Reserve Deletions	(1,926,180)
GRAND TOTAL CURRENT OPERATIONS/ GENERAL FUND	$ 163,937,599

PART 2. HIGHWAY FUND APPROPRIATIONS

CURRENT OPERATIONS/HIGHWAY FUND

Sec. 4. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the fiscal year ending June 30, 1993, according to the schedule that follows. The amounts set out in the schedule are in addition to other appropriations from the Highway Fund for these purposes for the 1992-93 fiscal year. Amounts set out in brackets are reductions from Highway Fund appropriations for the 1992-93 fiscal year.

Current Operations-Highway Fund	1992-93
Department of Transportation	
01. Administration	$ 3,694,922
02. Division of Highways	
a. State Construction	
(01) Secondary Construction	446,402
(02) Urban Construction	(1,000,000)
(03) Spot Safety Improvements	(2,000,000)
b. State Funds to Match Federal Highway Aid	
(01) Construction	(18,000,000)
c. State Maintenance	
(01) Secondary	(559,204)
(02) Contract Resurfacing	(15,000,000)
d. Ferry Operations	(1,000,000)
03. Division of Motor Vehicles	4,252,600
04. State Aid to Municipalities	446,402
05. Salary Adjustments for Highway Fund Employees	(59,344)
06. Reserve to Continue DOT Merit Salary Increases	(86,143)
07. Reserve for Salary Increases	7,045,254
08. Reserve for State Employee Health Benefit Plan	(2,675,722)
09. Transfer to General Fund for Reimbursement for Sales Tax Exemption	700,000
10. Reserve for Air Cargo	2,500,000
Appropriations for Other State Agencies	
01. Crime Control and Public Safety	(603,913)
02. Revenue	86,968
03. Environment, Health, and natural Resources	(86,968)
GRAND TOTAL CURRENT OPERATIONS/ HIGHWAY FUND	$ (21,898,746)

PART 3. HIGHWAY TRUST FUND

Sec. 5. Appropriations from the Highway Trust Fund are made for the fiscal year ending June 30, 1993, according to the schedule that follows. The amounts set out in this schedule are in addition to other appropriations from the Highway Trust Fund for these purposes

for the 1992-93 fiscal year. Amounts set out in brackets are reductions from Highway Trust Fund appropriations for the 1992-93 fiscal year.

	1992-93
01. Intrastate System	$ 2,800,081
02. Secondary Road Construction	1,113,365
03. Urban Loops	1,207,661
04. State Aid-Municipalities	313,365
05. Program Administration	(434,472)
GRAND TOTAL CURRENT OPERATIONS/ HIGHWAY TRUST FUND	$ 5,000,000

PART 4. BLOCK GRANT APPROPRIATIONS

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

BLOCK GRANT PROVISIONS

Sec. 6. (a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1993, according to the following schedule:

PREVENTIVE HEALTH BLOCK GRANT

01. Emergency Medical Services	$ 245,652
02. Basic Public Health Services	925,542
03. Hypertension Programs	590,230
04. Statewide Health Promotion Programs	1,929,576
05. Fluoridation of Water Supplies	228,404
06. Rape Prevention and Rape Crisis Programs	91,269
07. AIDS/HIV Education, Counseling, and Testing	290,577

08. Office of Minority Health and Minority Health Council	190,000
TOTAL PREVENTIVE HEALTH BLOCK GRANT	$ 4,491,250.

(b) Decreases in Federal Fund Availability

If federal funds are reduced below the amounts specified above after the effective date of this act, then every program in the federal block grant listed above shall be reduced by the same percentage as the reduction in federal funds.

(c) Increases in Federal Fund Availability

Any block grant funds appropriated by the United States Congress in addition to the funds specified in this act shall be expended as follows:

(1) For the Preventive Health Block Grant -- additional funds shall be allocated to support the Statewide Health Promotion Programs.

PART 5. GENERAL PROVISIONS

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

CONTINGENCY AND EMERGENCY FUND CORRECTION

Sec. 7. Section 8 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 8. Of the funds appropriated in this Title to the Contingency and Emergency Fund, ~~$900,000~~ nine hundred thousand dollars ($900,000) for the 1991-92 fiscal year and ~~$900,000~~ nine hundred thousand dollars ($900,000) for the 1992-93 fiscal year shall be designated for emergency allocations, which are for the purposes outlined in ~~G.S. 143-23(a1).~~ G.S. 143-23(a1)(3), (4), and (5). ~~$225,000~~ Two hundred twenty-five thousand dollars ($225,000) for the 1991-92 fiscal year and ~~$225,000~~ two hundred twenty-five thousand dollars ($225,000) for the 1992-93 fiscal year shall be designated for other allocations from the Contingency and Emergency Fund."

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

BLOCK GRANT PLANS

Sec. 8. G.S. 143-16.1 reads as rewritten:

"*§ 143-16.1. Federal funds.*

(a) All federal funds shall be expended and reported in accordance with provisions of the Executive Budget Act, except as otherwise

provided by law. Proposed budgets recommended to the General Assembly by the Governor and Advisory Budget Commission shall include information concerning the federal expenditures in State agencies, departments and institutions in the same manner as State funds. The Director of the Budget may adopt rules and regulations establishing uniform planning, budgeting and fiscal procedures, not inconsistent with federal law, that ensure that all federal funds shall be expended in a standardized manner. The function of the Advisory Budget Commission under this section applies only if the Director of the Budget consults with the Commission in preparation of the budget.

(b) The Secretary of each State agency that receives and administers federal Block Grant funds shall prepare and submit the agency's Block Grant plans to the Fiscal Research Division of the General Assembly not later than April 20 of each fiscal year. The agency shall submit a separate Block Grant plan for each Block Grant received and administered by the agency, and each plan shall include, but not be limited to, the following:

(1) A delineation of the proposed dollar amount allocations by activity and by category, including dollar amounts to be used for administrative costs; and

(2) A comparison of the proposed funding with two prior years' program budgets.

The Director of the Budget shall review for accuracy, consistency, and uniformity each State agency's Block Grant plans prior to submission of the plans to the General Assembly."

PART 6. BUDGET CLARIFICATION PROVISIONS

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

ADDITIONAL BUDGET REPORTING REQUIREMENTS

Sec. 9. (a) Effective July 1, 1992, G.S. 143-23(a1), as rewritten by Section 6(c) of Chapter 812 of the 1991 Session Laws, reads as rewritten:

"(a1) No transfers may be made between objects or line items in the budget of any department, institution, or other spending agency; however, with the approval of the Director of the Budget, a department, institution, or other spending agency may spend more than was appropriated for an object or line item if the overexpenditure is:

(1) In a purpose or program for which funds were appropriated for that fiscal period and the total amount spent for the purpose or program is no more than was appropriated for the purpose or program for the fiscal period;

(2) Required to continue a purpose or program because of unforeseen events, so long as the scope of the purpose or program is not increased;

(3) Required by a court, Industrial Commission, or administrative hearing officer's order or award or to match unanticipated federal funds;

(4) Required to respond to an unanticipated disaster such as a fire, hurricane, or tornado; or

(5) Required to call out the National Guard.

The Director of the Budget shall report on a quarterly basis to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office the reason if the amount expended for a purpose or program is more than the amount appropriated for it from all sources. If the overexpenditure was authorized under subdivision (2) of this subsection, the Director of the Budget shall identify in the report the unforeseen event that required the overexpenditure.

Funds appropriated for salaries and wages are also subject to the limitation that they may only be used for (i) salaries and wages or for premium pay, overtime pay, longevity, unemployment compensation, workers' compensation, temporary wages, contracted personal services, moving expenses, payment of accumulated annual leave, certain awards to employees, tort claims, and employer's social security, retirement, and hospitalization payments; or (ii) uses for which over expenditures are permitted by subdivisions (3), (4), and (5) of this subsection but the Director of the Budget shall include such use and the reason for it in his quarterly report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office.

Lapsed salary funds that become available from vacant positions are also subject to the limitation that they may not be used for new permanent employee positions or to raise the salary of existing employees.

The requirements in this section that the Director of the Budget report to the Joint Legislative Commission on Governmental Operations shall not apply to expenditures of receipts by entities that are wholly receipt supported, except for entities supported by the Wildlife Resources Fund."

(b) The Director of the Budget shall report on a quarterly basis to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office on:

(1) All employee positions that were abolished that resulted or will result in the generation of salary reserves;

(2) All promotions, reclassifications, and salary range revisions, of greater than ten percent (10%), that will be funded with salary reserves; and

(3) All new positions created that will be funded with salary reserves.

This section does not apply to actions taken regarding employees of The University of North Carolina.

PART 7. OFFICE OF STATE BUDGET AND MANAGEMENT

Requested by: Senator Martin of Guilford, Representatives Grady, Bowman, N.J. Crawford

ONSLOW MUSEUM FUNDS/NEW PURPOSE

Sec. 10. Funds appropriated in Section 2 of Chapter 830 of the 1987 Session Laws to the Office of State Budget and Management for a grant-in-aid to the Onslow County Commissioners to assist in relocating the Onslow County Museum from Richlands to Jacksonville may be used by the Onslow County Commissioners for construction of new museum facilities in Richlands.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont, Hackney

SAVINGS RESERVE ACCOUNT TECHNICAL CHANGE

Sec. 11. G.S. 143-15.3(b), as rewritten by Section 7(b) of Chapter 812, 1991 Session Laws, reads as rewritten:

"(b) The Director may not use funds in the Savings Reserve Account unless the use has been approved by an act of the General Assembly. It is the intent of the General Assembly that in future sessions, as funds are available, it will reduce and then eliminate the State's liability for payroll deferrals for State employees and community college employees and for the deferral of the twelfth month of teacher payroll. These actions will bring the State into closer conformity with the GAAP."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

BUDGET REFORM STATEMENTS

Sec. 12. The General Fund appropriations availability upon which the modifications contained in this act to the General Fund budget for the 1992-93 fiscal year are based is $163,950,000. This amount is comprised of the following components:

(1) $151,500,000 - revised revenue growth for the 1992-93 fiscal year that was not appropriated by the 1991 Session of the 1991 General Assembly.

(2) $1,200,000 - part of the estimated credit balance on June 30, 1992.
(3) $6,400,000 - fee increases for the General Court of Justice contained in Chapter 811 of the 1991 Session Laws.
(4) $1,200,000 - increase in the Insurance Assessment Fee rate contained in Chapter 811 of the 1991 Session Laws.
(5) $3,400,000 - funds generated in Sections 20, 23, and 24 of this act.
(6) $250,000 - increased non-tax revenues from investment earnings to support the Investment Division of the Department of State Treasurer.

Requested by: Senators Perdue, Martin of Guilford, Representatives Bowman, N.J. Crawford

LIMITATION ON THE SALE OR EXCHANGE OF PROPERTY

Sec. 13. (a) Notwithstanding the provisions of Chapter 146 of the General Statutes, the tract of State-owned land known as the Old Health Farm Property, comprised of approximately 260.86 acres located adjacent to East Chatham Street in Cary, Wake County, shall not be exchanged or traded for other land, or interest therein, before July 1, 1993, nor may any contract or option for exchange or trade of such land be entered into before that date.

(b) Notwithstanding the provisions of Parts 10 or 11 of Article 10 of Chapter 143B of the General Statutes, or any other provision of law, no real property or any estate or interest in real property consisting of railroad right-of-way or used for railroad purposes located in Carteret County may be:

(1) Sold;
(2) Contracted for sale;
(3) Subjected to any option for sale;
(4) Abandoned; or
(5) Otherwise disposed of

before July 1, 1993, by the State of North Carolina or any State agency, authority, board, or commission. This subsection is effective upon ratification.

(c) Notwithstanding the provisions of Parts 10 or 11 of Article 10 of Chapter 143B of the General Statutes, or any other provision of law, no real property or any estate or interest in real property consisting of railroad right-of-way or used for railroad purposes may be:

(1) Sold;
(2) Contracted for sale;
(3) Subjected to any option for sale;
(4) Abandoned; or

(5) Otherwise disposed of

before July 1, 1993, by any company or corporation in which the State of North Carolina or any State board, agency, or commission owns one hundred percent (100%) of the voting stock. This subsection is effective upon ratification.

(d) This section is effective upon ratification.

Requested by: Senators Royall, Martin of Guilford, Goldston, Representatives Bowman, N.J. Crawford, McLaughlin, Holt

STATE INFORMATION MANAGEMENT TECHNOLOGY

Sec. 14. (a) G.S. 143B-426.21 reads as rewritten:

"~~*§ 143B-426.21. Information Technology Commission.*~~

~~(a) Creation; Membership. -- The Information Technology Commission is created in the Office of the State Controller. The Commission consists of the following members:~~

~~(1) Ex officio members: the Governor, Lieutenant Governor, Secretary of the Department of Administration, State Budget Officer, State Auditor, State Treasurer, Secretary of State, Superintendent of Public Instruction, Commissioner of Agriculture, Commissioner of Labor, Commissioner of Insurance, State President of the Department of Community Colleges, Chair of the Governor's Committee on Data Processing and Information Systems, Chair of the State Information Processing Services Advisory Board, and the Legislative Services Officer or his designee.~~

~~(2) Other members: one citizen of the State of North Carolina with a background in and familiarity with information systems or telecommunications appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, and one citizen of the State of North Carolina with a background in and familiarity with information systems or telecommunications appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121. The two initial members appointed by the General Assembly shall each serve a term beginning on the 60th day following June 6, 1989, and expiring on June 30, 1993. Thereafter, their successors shall be appointed for four-year terms, commencing July 1. Vacancies in the two legislative appointments shall be filled as provided in G.S. 120-122.~~

~~Members of the Commission shall not be employed by nor serve on the board of directors or other corporate governing body of any information systems, computer hardware, computer software, or~~

~~telecommunications vendor of goods and services to the State of North Carolina.~~

~~The Governor shall chair the Commission and the Secretary of Administration shall be secretary to the Commission. The Commission shall meet at the call of the chairman or at the request of a majority of its members. The Office of the State Controller shall provide staff support and other services required by the Commission.~~

~~(b) Powers and Duties. -- The Commission has the following powers and duties:~~

~~(1) To approve or disapprove proposals by the State Information Processing Services under G.S. 143B-426.40;~~

~~(2) To obtain information relevant to the decisions required of the Commission under G.S. 143B-426.40 from the affected departments; and~~

~~(3) To develop a comprehensive plan, covering the current and following biennium, for the acquisition and use of information technology resources in the affected departments, which shall be updated annually and shall be submitted to the General Assembly on the first day of each regular session.~~

§ *143B-426.21. Information Resource Management Commission.*

(a) Creation; Membership. -- The Information Resource Management Commission is created in the Office of the State Controller. The Commission consists of the following members:

(1) Four members of the Council of State, appointed by the Governor.

(2) The Secretary of Administration.

(3) The State Budget Officer.

(4) Two members of the Governor's cabinet, appointed by the Governor.

(5) One citizen of the State of North Carolina with a background in and familiarity with information systems or telecommunications, appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.

(6) One citizen of the State of North Carolina with a background in and familiarity with information systems or telecommunications, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

(7) The Chair of the Governor's Committee on Data Processing and Information Systems.

(8) The Chair of the State Information Processing Services Advisory Board.

Members of the Commission shall not be employed by or serve on the board of directors or other corporate governing body of any information systems, computer hardware, computer software, or telecommunications vendor of goods and services to the State of North Carolina.

The two initial cabinet members appointed by the Governor and the two initial citizen members appointed by the General Assembly shall each serve a term beginning September 1, 1992, and expiring on June 30, 1995. Thereafter, their successors shall be appointed for four-year terms, commencing July 1. Members of the Governor's cabinet shall be disqualified from completing a term of service of the Commission if they are no longer cabinet members.

The appointees by the Governor from the Council of State shall each serve a term beginning on September 1, 1992, and expiring on June 30, 1993. Thereafter, their successors shall be appointed for four-year terms, commencing July 1. Members of the Council of State shall be disqualified from completing a term of service on the Commission if they are no longer members of the Council of State.

Vacancies in the two legislative appointments shall be filled as provided in G.S. 120-122.

The Commission chair shall be elected in the first meeting of each calendar year from among the appointees of the Governor from the Council of State and shall serve a term of one year. The Secretary of Administration shall be secretary to the Commission.

No member of the Information Resource Management Commission shall vote on an action affecting solely his or her own State agency.

(b) Powers and Duties. -- The Commission has the following powers and duties:

(1) To develop, approve, and publish a statewide information technology strategy covering the current and following biennium that shall be updated annually and shall be submitted to the General Assembly on the first day of each regular session.

(2) To develop, approve, and sponsor statewide technology initiatives and to report on those initiatives in the annual update of the statewide information technology strategy.

(3) To review and approve biennially the information technology plans of the executive agencies, including their plans for the procurement and use of personal computers and workstations.

(4) To recommend to the Governor and the Office of State Budget and Management the relative priorities across executive agency information technology plans.

(5) To establish a quality assurance policy for all agency information technology projects, information systems training programs, and information systems documentation.

(6) To establish and enforce a quality review and expenditure review procedure for major agency information technology projects.

(7) To review and approve expenditures from appropriations made to the Office of State Budget and Management for the purpose of creating a Computer Reserve Fund.

(8) To develop and promote a policy and procedures for the fair and competitive procurement of information technology consistent with the rules of the Department of Administration and consistent with published industry standards for open systems that provide agencies with a vendor-neutral operating environment where different information technology hardware, software, and networks operate together easily and reliably.

(c) Meetings. -- The Information Resources Management Commission shall adopt bylaws containing rules governing its meeting procedures. The Information Resources Management Commission shall meet at least monthly."

(b) Of the funds appropriated from the General Fund to the Office of State Controller for the 1992-93 fiscal year, the sum of two million two hundred thousand dollars ($2,200,000) shall be used for the purpose of continuing development and implementation of the new State Accounting System. No expenditure shall be made from this fund by the Office of State Controller until the Information Resource Management Commission created in subsection (a) of this section has reviewed and approved the Office of State Controller's design, implementation strategy, and expenditure plan for the State Accounting System. The Information Resource Management Commission shall report the results of its review and the rationale for its approval of the expenditure to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the State Government Performance Audit Committee. The Information Resource Management Commission shall apply its quality assurance policy and quality review procedures to the Office of State Controller's State Accounting System project.

(c) Of the funds appropriated from the Highway Fund to the Department of Transportation for the 1992-93 fiscal year, the sum of two million nine hundred forty-four thousand nine hundred twenty-two dollars ($2,944,922) shall be used for the purpose of continuing development and implementation of the Department's Financial Accounting and Reporting System. No expenditure shall be made

from this fund by the Department of Transportation until the Information Resource Management Commission created in subsection (a) of this section has reviewed and approved the Department of Transportation's design, implementation strategy, and expenditure plan for its portion of the State Accounting System and all other components of the Department's Financial Accounting and Reporting System. The Information Resource Management Commission shall report the results of its review and the rationale for its approval of the expenditure to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the State Government Performance Audit Committee. The Information Resource Management Commission shall apply its quality assurance policy and quality review procedures to the Department of Transportation's Financial Accounting and Reporting System.

In any contract entered into between the Department of Transportation and any vendor or consultant for services involving the design, development, programming, installation, or maintenance of financial management information systems in the Department of Transportation and in any contract entered into between the Office of State Controller and any vendor or consultant for services involving the design, development, programming, installation, or maintenance of financial management information systems in the Department of Transportation, there shall be specific performance, testing, and acceptance criteria that the vendor must meet and a deadline for meeting those criteria. The State's contract administrator shall make no payment for work done on the contract until the contract administrator has completed a testing and acceptance review of the contract's deliverables and certified that the services provided meet the criteria. In the event the service provided does not meet the contract specifications at the time of the due date for the deliverables, the contractor shall be liable for consequential damages and other remedies. The Department shall not issue to the contractor any waiver of consequential damages resulting from the contractor's failure to deliver services and products that meet the contract administrator's performance, testing, and acceptance criteria at the time of the due date for the deliverables.

In issuing any contract, whether through competitive bid or through waiver of competitive bid, entered into between the Department of Transportation and any vendor or consultant for services involving the design, development, programming, installation, or maintenance of financial management information systems in the Department of Transportation, the Department of Transportation shall require a performance bond or another performance guarantee up to the full amount of the contract.

(d) Of the funds appropriated from the Highway Fund to the Department of Transportation for the 1992-93 fiscal year, the sum of two million nine hundred forty-eight thousand six hundred dollars ($2,948,600) shall be used for the purpose of designing, developing, testing, and implementing a drivers' license computer system. The Information Resource Management Commission created by this section shall review the Department of Transportation's design, implementation strategy, and expenditure plan for the drivers' license computer system and shall report the results of its review to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Government Performance Audit Committee. The Information Resource Management Commission shall apply its quality assurance policy and quality review procedures to the Department of Transportation's drivers license computer system.

(e) Executive agencies shall not, before October 1, 1992, spend funds to design, develop, or implement mainframe agency computing systems separate from the mainframe computer system operated by the State Information Processing Services without prior approval of the Information Resource Management Commission. The Commission shall submit a report of the action to a meeting of the Joint Legislative Commission on Governmental Operations.

(f) G.S. 120-123(57) reads as rewritten:

"(57) The ~~Information Technology Commission,~~ Information Resource Management Commission, as established by G.S. 143B-426.21."

(g) G.S. 143B-426.40 reads as rewritten:

"§ *143B-426.40. State Information Processing Services.*

With respect to all executive departments and agencies of State government, except the Department of Justice and The University of North Carolina, the Office of State Controller shall have the following powers and duties:

(1) To establish and operate information resource centers and services to serve two or more departments on a cost-sharing basis, if the ~~Information Technology Commission~~ Information Resources Management Commission decides it is advisable from the standpoint of efficiency and economy to establish these centers and services;

(2) With the approval of the ~~Information Technology Commission,~~ Information Resources Management Commission, to charge each department for which services are performed its proportionate part of the cost of maintaining and operating the shared centers and services;

(3) With the approval of the ~~Information Technology Commission,~~ Information Resources Management Commission, to require any department served to transfer to the Office of the State Controller ownership, custody, or control of information processing equipment, supplies, and positions required by the shared centers and services;

(4) With the approval of the ~~Information Technology Commission,~~ Information Resources Management Commission, to adopt reasonable rules for the efficient and economical management and operation of the shared centers, services, and the integrated State telecommunications network;

(5) With the approval of the ~~Information Technology Commission,~~ Information Resources Management Commission, to adopt plans, policies, procedures, and rules for the acquisition, management, and use of information technology resources in the departments affected by this subdivision to facilitate more efficient and economic use of information technology in these departments; and

(6) To develop and promote training programs to efficiently implement, use, and manage information technology resources.

The Department of Revenue is authorized to deviate from this subsection's requirements that departments or agencies consolidate information processing functions on equipment owned, controlled or under custody of the State Information Processing Services. All deviations from this subsection's requirements shall be reported in writing within 15 days by the Department of Revenue to the ~~Information Technology Commission~~ Information Resources Management Commission and shall be consistent with available funding. The Department of Revenue is authorized to adopt and shall adopt plans, policies, procedures, requirements and rules for the acquisition, management, and use of information processing equipment, information processing programs, data communications capabilities, and information systems personnel in the Department of Revenue. If the plans, policies, procedures, requirements, rules, or standards adopted by the Department of Revenue deviate from the policies, procedures, or guidelines adopted by the State Information Processing Services or the ~~Information Technology Commission,~~ Information Resources Management Commission, those deviations shall be allowed and shall be reported in writing within 15 days by the Department of Revenue to the ~~Information Technology Commission,~~ Information Resources Management Commission. The Department of Revenue and the State Information Processing Services shall develop

data communications capabilities between the two computer centers utilizing the North Carolina Integrated Network, subject to a security review by the Secretary of Revenue.

The Department of Revenue shall prepare a plan to allow for substantial recovery and operation of major, critical computer applications. The plan shall include the names of the computer programs, databases, and data communications capabilities, identify the maximum amount of outage that can occur prior to the initiation of the plan and resumption of operation. The plan shall be consistent with commonly accepted practices for disaster recovery in the information processing industry. The plan shall be tested as soon as practical, but not later than six months, after the establishment of the Department of Revenue information processing capability.

No data of a confidential nature, as defined in the General Statutes or federal law, may be entered into or processed through any cost-sharing information resource center or network established under this subdivision until safeguards for the data's security satisfactory to the department head and the State Controller have been designed and installed and are fully operational. Nothing in this subsection may be construed to prescribe what programs to satisfy a department's objectives are to be undertaken, nor to remove from the control and administration of the departments the responsibility for program efforts, regardless whether these efforts are specifically required by statute or are administered under the general program authority and responsibility of the department. This subdivision does not affect the provisions of G.S. 147-64.6, G.S. 147-64.7, or G.S. 143B-426.39(14). Notwithstanding any other provision of law, the Office of the State Controller shall provide information technology services on a cost-sharing basis to the General Assembly and its agencies as requested by the Legislative Services Commission."

(h) Subsections (a), (f), and (g) of this section become effective on September 1, 1992, except that appointments to the Information Resources Management Commission may be made by the General Assembly at any time after ratification of this act. The remainder of this section becomes effective July 1, 1992.

(i) This section becomes effective July 15, 1992.

PART 8. GENERAL ASSEMBLY

Requested by: Senators Martin of Guilford, Marvin, Odom, Representatives Redwine, Anderson, Dickson

LRC LAW ENFORCEMENT COMMITTEE STUDY

Sec. 15. The Legislative Research Commission's Committee on Law Enforcement Issues may study the problem of marital rape, its

status under North Carolina law, and, specifically, whether the spousal defense under G.S. 14-27.8 ought to be abolished. The Legislative Research Commission may report the findings and recommendations of the study, if undertaken, to the 1993 General Assembly.

Requested by: Senator Martin of Guilford, Representative Nesbitt

LEGISLATIVE RESEARCH COMMISSION MEMBERS' TERMS

Sec. 16. G.S. 120-30.11 reads as rewritten:

"*§ 120-30.11. Time of appointments; terms of office.*

Appointments to the Legislative Research Commission shall be made not earlier than the close of each regular session of the General Assembly held in the odd-numbered year nor later than 15 days subsequent to the close. The term of office shall begin on the day of appointment, and shall end on ~~December 15 of the next even-numbered year. Except for the work of the Administrative Rules Review Committee, no~~ January 15 of the next odd-numbered year. No moneys appropriated to the Legislative Research Commission may be expended for meetings of the Commission, its committees or subcommittees held after ~~December 15 of the next odd-numbered year~~ January 15 of the next odd-numbered year and before the appointment of the next Legislative Research Commission."

Requested by: Senators Martin of Guilford, Daniel, Representative Nesbitt

PERFORMANCE AUDIT STUDY CONTINUED

Sec. 17. Notwithstanding the provisions of Article 6B of Chapter 120 of the General Statutes and for the sole purpose of its advising the Legislative Services Commission on the conduct of the State government performance audit study directed by Section 347 of Chapter 689 of the 1991 Session Laws:

(1) The existence of the Legislative Research Commission's Committee on the State Government Performance Audit shall continue until March 31, 1993, when it shall terminate;

(2) Monies may be expended for the work and meetings of the Committee in reviewing and advising on the implementation and review of the State government performance audit until March 31, 1993;

(3) The present membership of the Committee shall continue in existence until that date; provided, further, the President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each appoint one member of the Finance Committee of the respective body as additional members of the Committee;

(4) Vacancies in the membership of the Committee shall be filled by the original appointing authority.

Requested by: Senators Basnight, Martin of Guilford, Representatives Bowman, N.J. Crawford

SEAFOOD AND AQUACULTURE FUNDS

Sec. 18. Of the funds appropriated to the General Assembly's Legislative Services Commission's studies reserve for the 1992-93 fiscal year, the sum of ten thousand dollars ($10,000) shall be allocated for the Joint Legislative Commission on Seafood and Aquaculture.

Requested by: Senators Perdue, Martin of Guilford, Representatives Bowman, N.J. Crawford

STATE REAL PROPERTY TRANSFERS STUDY COMMISSION

Sec. 19. (a) There is created a State Real Property Transfers Study Commission to be composed of nine members: three Senators to be appointed by the President Pro Tempore of the Senate, three Representatives to be appointed by the Speaker of the House of Representatives, and three members to be appointed by the Governor. The appointees shall serve until the termination of the Commission. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochairman from their appointees. Either cochairman may call the first meeting of the Study Commission. Vacancies shall be filled in the same manner as the original appointments were made.

(b) The Study Commission is authorized to study all aspects of the present system of, by any means, transferring, allocating, or disposing of real property owned by the State or any of its agencies. The study shall include, but is not limited to, an examination of:

(1) The procedures involved in the transfer of any interest in state real property,

(2) The number and size of the transfers,

(3) The adequacy of safeguards to protect the State's interests, and

(4) The statutes and experience of other states in this regard.

(c) With the prior approval of the Legislative Services Commission, the Legislative Administrative Officer shall assign professional and clerical staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the Offices of the House and Senate Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne by the Commission. With the prior approval of the Legislative Services Commission, the

Study Commission may hold its meetings in the State Legislative Building or the Legislative Office Building.

(d) The Study Commission shall submit a final written report of its findings and recommendations, including legislation, on or before the convening of the 1993 Session of the General Assembly. All reports shall be filed with the President Pro Tempore of the Senate and the Speaker of the House of Representatives. Upon filing its final report, the Commission shall terminate.

(e) Members of the Commission shall be paid per diem, subsistence, and travel allowances as follows:

(1) Commission members who are also members of the General Assembly, at the rate established in G.S. 120-3.1;

(2) Commission members who are officials or employees of the State or local government agencies, at the rate established in G.S. 138-6;

(3) All other Commission members, at the rate established in G.S. 138-5.

(f) There is allocated from the funds appropriated to the General Assembly's Legislative Services Commission's studies reserve to the State Real property Transfers Study Commission for its work the sum of fifteen thousand dollars ($15,000) for the 1992-93 fiscal year.

PART 9. DEPARTMENT OF REVENUE

Requested by: Senators Conder, Shaw, Martin of Guilford, Representatives Bowman, N.J. Crawford

CONTROLLED SUBSTANCE TAX PROCEEDS

Sec. 20. (a) Of the funds in the State Controlled Substance Tax Fund created in Section 6 of Chapter 772 of the 1989 Session Laws, the sum of five hundred ninety-four thousand one hundred fifty-eight dollars ($594,158) is transferred to the General Fund for the 1992-93 fiscal year to support the cost of administering the controlled substance tax levied by Article 2D of Chapter 105 of the General Statutes. Of the remaining funds in the State Controlled Substance Tax Fund, all the funds that on July 1, 1992, are unencumbered and are not required to be remitted to law enforcement agencies pursuant to G.S. 105-113.111(b) are transferred to the General Fund. Thereafter, any funds that become unencumbered and are not required to be remitted to law enforcement agencies pursuant to G.S. 105-113.111(b) shall be transferred to the General Fund.

(b) Section 6 of Chapter 772 of the 1989 Session Laws is repealed.

(c) Article 2D of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ *105-113.113. Use of tax proceeds.*

The Secretary shall credit the proceeds of the tax levied by this Article to a special nonreverting account, to be called the State Controlled Substances Tax Account, until the tax proceeds are unencumbered. Tax proceeds are unencumbered when the taxpayer no longer has a current right to challenge the assessment of the tax.

The Secretary shall, on a quarterly basis, remit the unencumbered tax proceeds as follows: seventy-five percent (75%) of the amount collected by assessment shall be remitted to the State or local law enforcement agency that conducted the investigation of a dealer that led to the assessment; and the remainder of the unencumbered tax proceeds shall be credited to the General Fund. If more than one State or local law enforcement agency conducted the investigation, the Secretary shall determine the equitable pro rata share for each agency based on the contribution each agency made to the investigation."

(d) G.S. 105-113.111 reads as rewritten:

"§ *105-113.111. Assessments.*

~~(a)~~ Notwithstanding any other provision of law, an assessment against a dealer who possesses a controlled substance to which a stamp has not been affixed as required by this Article shall be made as provided in this section. The Secretary shall assess a tax, applicable penalties, and interest based on personal knowledge or information available to the Secretary. The Secretary shall notify the dealer in writing of the amount of the tax, penalty, and interest due, and demand its immediate payment. The notice and demand shall be either mailed to the dealer at the dealer's last known address or served on the dealer in person. If the dealer does not pay the tax, penalty, and interest immediately upon receipt of the notice and demand, the Secretary shall collect the tax, penalty, and interest pursuant to the procedure set forth in G.S. 105-241.1(g) for jeopardy assessments or the procedure set forth in G.S. 105-242, including causing execution to be issued immediately against the personal property of the dealer unless the dealer files with the Secretary a bond in the amount of the asserted liability for the tax, penalty, and interest. The Secretary shall use all means available to collect the tax, penalty, and interest from any property in which the dealer has a legal, equitable, or beneficial interest. The dealer may seek review of the assessment as provided in Article 9 of this Chapter.

~~(b) Of the monies collected pursuant to subsection (a), seventy-five percent (75%) shall be remitted to the State or local law enforcement agency that conducted the investigation of the dealer that led to the assessment under subsection (a). If more than one State or local law enforcement agency conducted the investigation, the Secretary of the Department of Revenue shall determine the equitable pro rata share~~

~~for each agency based on the contribution each agency made to the investigation.~~"

(e) This section becomes effective July 1, 1992. Subsections (b) through (d) apply to taxes collected on or after that date.

Requested by: Senators Shaw, Martin of Guilford, Representatives Bowman, N.J. Crawford

ADD CONTROLLED SUBSTANCE TAX POSITIONS

Sec. 21. Of the funds appropriated to the Department of Revenue in this act, the sum of sixty-four thousand seven hundred dollars ($64,700) for the 1992-93 fiscal year shall be used to support three additional positions in the Controlled Substance Tax Section of the Department of Revenue.

PART 10. DEPARTMENT OF ADMINISTRATION

Requested by: Senator Martin of Guilford, Representatives Bowman, N.J. Crawford

INDIAN CULTURAL CENTER

Sec. 22. (a) Of the funds appropriated to the Department of Administration in Section 3 of Chapter 689 of the 1991 Session Laws, the sum of one thousand five hundred dollars ($1,500) shall be expended for maintenance of the following State lands located in Robeson County:

(1) 386.69 acres contained in the deed dated April 14, 1983, and recorded in Deed Book 533, page 164, Robeson County Registry;
(2) 386.69 acres contained in the deed dated August 24, 1984, and recorded in Deed Book 563, page 254, Robeson County Registry;
(3) 99.62 acres contained in the deed dated March 20, 1985, and recorded in Deed Book 575, page 523, Robeson County Registry; and
(4) 10.00 acres contained in the deed dated September 11, 1985, and recorded in Deed Book 586, page 142, Robeson County Registry.

The public golf course known as the Riverside Golf Course, and any Indian Cultural Center developed or constructed on the above referenced lands shall be included in lands for which funds may be expended for maintenance under this section. No Indian Cultural Center developed or constructed on any of the above referenced lands shall be built on a public golf course, unless prior approval is granted by the General Assembly. No lease on the public golf course known as the Riverside Golf Course shall be entered into by the Department

of Administration for a lease term in excess of 12 months unless prior approval is granted by the General Assembly.

Nothing in this provision shall be construed as being inconsistent with the provisions of Section 18 of Chapter 1074 of the 1989 Session Laws.

Any lease of the lands and buildings comprising the public golf course known as the Riverside Golf Course entered into by the State of North Carolina and any entity other than the North Carolina Indian Cultural Center, Inc., shall by its terms continue the use of the lands and buildings as a public golf course.

(b) The General Assembly's Legislative Research Commission Study Committee on the North Carolina Indian Cultural Center, Inc., authorized by Section 2.4 of Chapter 754 of the 1991 Session Laws, shall study provisions of the Charter of the North Carolina Indian Cultural Center, Inc., relating to membership on the organization's Board of Directors and the feasibility of the coexistence of the Riverside Golf Course and the Indian Cultural Center, and shall report its findings and recommendations to the 1993 General Assembly.

(c) The Office of the State Auditor shall conduct a financial audit of the North Carolina Indian Cultural Center, Inc., and shall report the results of the audit to the 1993 General Assembly.

(d) The Department of Administration shall complete the environmental impact assessment for which funds were appropriated under Section 18 of Chapter 1074 of the 1989 Session Laws not later than October 1, 1992.

(e) Subsection (a) of Section 18 of Chapter 1074 of the 1989 Session Laws reads as rewritten:

"(a) The State of North Carolina shall lease out to the North Carolina Indian Cultural Center, Inc., for a period of 99 years at a monetary consideration of $1.00 per year all the real property it acquired for the Indian Cultural Center, but no part of Phase I of the project may be constructed either by the State or for the lessee until an environmental impact assessment is completed on Phase I of the property, and if required pursuant to Article 1 of Chapter 113A of the General Statutes, an environmental impact statement is prepared. The State shall enter into a lease agreement in accordance with this section not later than June 30, 1993. If the State and the North Carolina Indian Cultural Center, Inc., do not enter into a lease agreement by June 30, 1993, then the property may be used for any public purpose.

Any lease agreement entered into by the State with the North Carolina Indian Cultural Center, Inc., shall include but not be limited to the following terms:

(1) An environmental impact assessment pursuant to Article 1 of Chapter 113A of the General Statutes is completed on Phase I of the property.

(2) The lease shall include a reversionary clause stipulating that the North Carolina Indian Cultural Center, Inc., must have the $4,160,000 necessary to complete Phase I of this project in their possession, unencumbered, and subject to its immediate disposal within ~~five~~ three years from the date of execution of the lease agreement.

(3) If the funds are not so possessed within ~~five~~ three years from the date of execution, then this lease agreement will automatically terminate.

(4) The North Carolina Indian Cultural Center, Inc., as lessee, may conduct no construction of Phase I on the premises until it has fulfilled the terms of the lease agreement.

(5) The North Carolina Indian Cultural Center, Inc., as lessee, shall enter into a sublease agreement with the operator of the land and buildings known as the Riverside Golf Course to continue the operation and maintenance of the Riverside Golf Course under the same terms as the lease agreement between the State and the operator of the Riverside Golf Course. The sublease agreement shall be renewable annually until such time as the terms of the lease agreement as required under subdivisions (1) through (4) of this subsection have been fulfilled."

(f) This section is effective upon ratification.

Requested by: Senator Martin of Guilford, Representatives Bowman, N.J. Crawford

MOTOR FLEET MANAGEMENT/RETURN OF GENERAL FUND INVESTMENT

Sec. 23. On April 1, 1993, the Department of Administration shall credit to the Office of State Treasurer, Nontax Revenues, the sum of one million six hundred thousand dollars ($1,600,000). These funds represent a partial return to the General Fund of its investment of five million one hundred thousand dollars ($5,100,000) for the upgrading of the State motor fleet appropriated in Section 57 of Chapter 757 of the 1985 Session Laws.

Requested by: Senator Martin of Guilford, Representatives Bowman, N.J. Crawford

SURPLUS PROPERTY WAREHOUSING FEES/GENERAL FUND

Sec. 24. G.S. 143-64.05 reads as rewritten:

"*§ 143-64.05. Warehousing, transfer, etc., charges.*

The State agency for surplus property may assess and collect service charges or fees for the acquisition, receipt, warehousing, distribution or transfer of any State surplus property. All receipts from the transfer or sale of surplus, obsolete, or unused equipment of State departments, institutions, and agencies, that are supported by appropriations from the General Fund, except where the receipts have been anticipated for, or budgeted against the cost of replacements, ~~shall be placed by the Secretary in an equipment reserve fund from which expenditures may be made only with prior approval of the Director of the Budget. Prior to taking any action under this section concerning expenditures from the equipment reserve fund, the Secretary shall consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations.~~ shall be credited by the Secretary to the Office of State Treasurer, Nontax Revenues."

Requested by: Senator Martin of Guilford, Representatives Bowman, N.J. Crawford

AGENCY FOR PUBLIC TELECOMMUNICATIONS BUDGET CODE

Sec. 25. Effective July 1, 1992, the program-generated receipts of and appropriations to the Agency for Public Telecommunications shall be accounted for within a single General Fund purpose code.

Requested by: Senator Martin of Guilford, Representatives Bowman, N.J. Crawford

AQUARIUM SOCIETY LEASE EXEMPTION

Sec. 26. The Department of Administration may enter into leases with the North Carolina Aquarium Society, a nonprofit corporation whose sole purpose is to assist financially the three State supported aquariums. Any leases entered into pursuant to this section are exempt from the provisions of G.S. 146-29.1.

PART 11. DEPARTMENT OF INSURANCE

Requested by: Senator Martin of Guilford, Representatives Bowman, N.J. Crawford

DATA FROM HEALTH CARE PROVIDERS

Sec. 27. G.S. 131E-212(b)(9) reads as rewritten:

"(9) The Commission shall implement plans for the submission of data from all health care providers beginning with the free-standing ambulatory surgery ~~centers.~~ centers, subject to the availability of funds appropriated for this purpose by the General Assembly."

PART 12. DEPARTMENT OF SECRETARY OF STATE

Requested by: Senator Martin of Guilford, Representatives Bowman, N.J. Crawford

SECRETARY OF STATE COMPUTER SYSTEM RENOVATION

Sec. 28. (a) Effective July 1, 1992, through June 30, 1993, notwithstanding the provisions of G.S. 143-16.3, the Office of State Budget and Management may transfer up to one hundred thousand dollars ($100,000) in the 1992-93 fiscal year from the Reserve for Data Processing to the Corporations Division of the Department of the Secretary of State for program development and ongoing program support of the computer system.

(b) This section does not apply to allow expenditure for Voice Mail Programming.

PART 13. SALARIES AND BENEFITS

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

SALARY-RELATED CONTRIBUTIONS/EMPLOYERS

Sec. 29. Section 188(c) of Chapter 689 of the 1991 Session Laws, as amended by Section 5 of Chapter 812 of the 1991 Session Laws, reads as rewritten:

"(c) Effective July 1, 1992, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 1992-93 fiscal year are (i) ten and ninety-three hundredths percent (10.93%) - Teachers and State Employees; (ii) fifteen and ninety-three hundredths percent (15.93%) - State Law Enforcement Officers; (iii) eight and ~~sixty-six~~ eighty-eight hundredths percent ~~(8.66%)~~ (8.88%) - University Employees' Optional Retirement Program; (iv) twenty-six and three hundredths percent (26.03%) - Consolidated Judicial Retirement System; and (v) thirty-two and thirty hundredths percent (32.30%) - Legislative Retirement System. Each of the foregoing contribution rates includes two percent (2%) for hospital and medical benefits. The rate for State Law Enforcement Officers includes five percent (5%) for the Supplemental Retirement Income Plan. The rates for Teachers and State Employees, State Law Enforcement Officers, and for the University Employees' Optional Retirement Program includes forty-two hundredths percent (0.42%) for the Disability Income Plan."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont
IMPLEMENTATION OF THE TEACHER SALARY SCHEDULE AND PROVIDE A RAISE TO ALL OTHER STATE EMPLOYEES.

INTRODUCTION

Sec. 30. In 1989, the General Assembly began the process of implementing a rational and equitable pay schedule for public school teachers. The General Assembly anticipated completing the implementation of the salary schedule during the 1991-92 fiscal year but was unable to do so because of severe budgetary constraints.

Sound personnel policy makes it imperative that the General Assembly complete the implementation of the teacher salary schedule during the 1992-93 fiscal year. When the teacher salary schedule is fully implemented, each teacher will be paid based on teaching experience.

Since the 1965-66 fiscal year, only two of the pay raises granted by the General Assembly to State employees have included a lump-sum amount for each State employee. By consistently giving State employees percentage pay increases instead of lump-sum increases, the General Assembly has created an enormous discrepancy between the upper and lower end of the State employee salary schedule. State employees at the lower end of the salary schedule are experiencing great financial difficulties because of the condition of the economy and the cost of living. A lump-sum salary increase will, on a percentage basis, benefit most the employees at the lower end of the salary schedule and will slightly reduce the percentage gap between the upper and lower ends of the salary schedule.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont
APPROPRIATIONS

Sec. 31. (a) Of the funds appropriated from the General Fund to the Reserve for Salary Increases, the sum of sixty-two million nine hundred fifty-six thousand eight hundred seventy dollars ($62,956,870) for the 1992-93 fiscal year shall be used to provide raises for State employees and school personnel other than teachers.

(b) Of the funds appropriated from the Highway Fund to the Reserve for Salary Increases, the sum of six million seven hundred twenty-five thousand two hundred fifty-four dollars ($6,725,254) for the 1992-93 fiscal year shall be used to provide raises for State employees.

(c) Of the funds appropriated from the General Fund to the Reserve for Salary Increases, the sum of forty-eight million seventy

thousand dollars ($48,070,000) for the 1992-93 fiscal year shall be used to implement the teacher salary schedule provided in Section 72 of this act. This is the equivalent of two percent (2%) of teacher payroll.

(d) Of the funds appropriated from the Highway Fund to the Reserve for Salary Increases, the sum of three hundred twenty thousand dollars ($320,000) for the 1992-93 fiscal year shall be used to implement the teacher salary schedule provided in Section 72 of this act. This is the equivalent of two percent (2%) of teacher payroll.

(e) Of the funds appropriated from the General Fund to the Reserve for Salary Increases, the sum of four million one hundred thirteen thousand two hundred fifty-eight dollars ($4,113,258) shall be used to implement salary increases for employees in locally operated State-funded programs as provided in Section 55 of this act.

Requested by: Senator Winner

GOVERNOR'S SALARY INCREASE

Sec. 32. (a) G.S. 147-11(a) reads as rewritten:

"(a) The salary of the Governor shall be ~~one hundred twenty-three thousand three hundred dollars ($123,300)~~ one hundred twenty-three thousand eight hundred twenty-two dollars ($123,822) annually, payable monthly."

(b) Effective January 1, 1993, G.S. 147-11(a), as rewritten by subsection (a) of this section, reads as rewritten:

"(a) The salary of the Governor shall be ~~one hundred twenty-three thousand eight hundred twenty-two dollars ($123,822)~~ ninety-one thousand nine hundred thirty-eight dollars ($91,938) annually, payable monthly."

Requested by: Senator Basnight, Representatives Nesbitt, Diamont

COUNCIL OF STATE/SALARY INCREASE

Sec. 33. The annual salaries for members of the Council of State, payable monthly, for the 1992-93 fiscal year are:

Council of State	1992-93
Lieutenant Governor	$75,774
Attorney General	75,774
Secretary of State	75,774
State Treasurer	75,774
State Auditor	75,774
Superintendent of Public Instruction	75,774
Agriculture Commissioner	75,774
Insurance Commissioner	75,774
Labor Commissioner	75,774.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

NONELECTED DEPARTMENT HEAD/SALARY INCREASES

Sec. 34. In accordance with G.S. 143B-9, the maximum annual salaries, payable monthly, for the nonelected heads of the principal State departments for the 1992-93 fiscal year are:

Nonelected Department Heads	1992-93
Secretary of Administration	$75,774
Secretary of Correction	75,774
Secretary of Crime Control and Public Safety	75,774
Secretary of Cultural Resources	75,774
Secretary of Economic and Community Development	75,774
Secretary of Environment, Health, and Natural Resources	75,774
Secretary of Human Resources	75,774
Secretary of Revenue	75,774
Secretary of Transportation	75,774.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

LEGISLATORS/SALARY AND EXPENSES INCREASE

Sec. 35. Effective upon convening of the 1993 Regular Session of the General Assembly, G.S. 120-3 reads as rewritten:

"§ *120-3. Pay of members and officers of the General Assembly.*

(a) The Speaker of the House shall be paid an annual salary of ~~thirty-five thousand one hundred dollars ($35,100),~~ thirty-five thousand six hundred twenty-two dollars ($35,622), payable monthly, and an expense allowance of one thousand three hundred twenty dollars ($1,320) per month. The President Pro Tempore of the Senate shall be paid an annual salary of ~~thirty-five thousand one hundred dollars ($35,100),~~ thirty-five thousand six hundred twenty-two dollars ($35,622), payable monthly, and an expense allowance of one thousand three hundred twenty dollars ($1,320) per month. The Speaker Pro Tempore of the House shall be paid an annual salary of ~~nineteen thousand seven hundred seventy-six dollars ($19,776),~~ twenty thousand two hundred ninety-eight dollars ($20,298), payable monthly, and an expense allowance of seven hundred eighty dollars ($780.00) per month. the Deputy President Pro Tempore of the Senate shall be paid an annual salary of ~~nineteen thousand seven hundred seventy-six dollars ($19,776),~~ twenty thousand two hundred ninety-eight dollars ($20,298), payable monthly, and an expense allowance of seven hundred eighty dollars ($780.00) per month. The majority and

minority leaders in the House and the majority and minority leaders in the Senate shall be paid an annual salary of ~~fifteen thousand three hundred ninety-six dollars ($15,396),~~ fifteen thousand nine hundred eighteen dollars ($15,918), payable monthly, and an expense allowance of six hundred twenty-two dollars ($622.00) per month.

(b) Every other member of the General Assembly shall receive increases in annual salary only to the extent of and in the amounts equal to the average increases received by employees of the State, effective upon convening of the next Regular Session of the General Assembly after enactment of these increased amounts. Accordingly, upon convening of the ~~1991~~ 1993 Regular Session of the General Assembly, every other member of the General Assembly shall be paid an annual salary of ~~twelve thousand five hundred four dollars ($12,504),~~ thirteen thousand twenty-six dollars ($13,026), payable monthly, and an expense allowance of five hundred twenty-two dollars ($522.00) per month.

(c) The salary and expense allowances provided in this section are in addition to any per diem compensation and any subsistence and travel allowance authorized by any other law with respect to any regular or extra session of the General Assembly, and service on any State board, agency, commission, standing committee and study commission."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

GENERAL ASSEMBLY PRINCIPAL CLERKS/SALARY INCREASES

Sec. 36. G.S. 120-37(c) reads as rewritten:

"(c) The principal clerks shall be full-time officers. Each principal clerk shall be entitled to other benefits available to permanent legislative employees and shall be paid an annual salary of ~~forty-three thousand five hundred forty-eight dollars ($43,548) from July 1, 1989 through June 30, 1990, and an annual salary of forty-six thousand one hundred sixty-four dollars ($46,164) on and after July 1, 1990,~~ forty-six thousand six hundred eighty-six dollars ($46,686), payable monthly. The Legislative Services Commission shall review the salary of the principal clerks prior to submission of the proposed operating budget of the General Assembly to the Governor and Advisory Budget Commission and shall make appropriate recommendations for changes in those salaries. Any changes enacted by the General Assembly shall be by amendment to this paragraph."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

SERGEANT-AT-ARMS AND READING CLERKS/SALARY INCREASES

Sec. 37. G.S. 120-37(b) reads as rewritten:

"(b) The sergeant-at-arms and the reading clerk in each house shall be paid a salary of ~~one hundred ninety-seven dollars ($197.00) per week from July 1, 1989 through June 30, 1990, and two hundred nine dollars ($209.00) per week on and after July 1, 1990,~~ two hundred nineteen dollars ($219.00) per week, plus subsistence at the same daily rate provided for members of the General Assembly, plus mileage at the rate provided for members of the General Assembly for one round trip only from their homes to Raleigh and return. The sergeants-at-arms shall serve during sessions of the General Assembly and at such time prior to the convening of, and subsequent to adjournment or recess of, sessions as may be authorized by the Legislative Services Commission. The reading clerks shall serve during sessions only."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

LEGISLATIVE EMPLOYEES/SALARY INCREASES

Sec. 38. The Legislative Administrative Officer may increase the salaries of nonelected employees of the General Assembly in effect for fiscal year 1991-92 by forty-three dollars and fifty cents ($43.50) per month. Nothing in this act limits any of the provisions of G.S. 120-32.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

JUDICIAL BRANCH OFFICIALS/SALARY INCREASE

Sec. 39. (a) The annual salaries, payable monthly, for specified judicial branch officials for fiscal year 1992-93 are:

Judicial Branch Officials	1992-93
Chief Justice, Supreme Court	$91,938
Associate Justice, Supreme Court	90,054
Chief Judge, Court of Appeals	87,186
Judge, Court of Appeals	85,290
Judge, Senior Regular Resident Superior Court	78,258
Judge, Superior Court	75,774
Chief Judge, District Court	66,918
Judge, District Court	64,386

District Attorney	70,554
Assistant District Attorney - an average of	45,822
Administrative Officer of the Courts	78,258
Assistant Administrative Officer of the Courts	63,882
Public Defender	70,554
Assistant Public Defender - an average of	45,822.

If an acting senior regular resident superior court judge is appointed under the provisions of G.S. 7A-41, he shall receive the salary for Judge, Senior Regular Resident, Superior Court, until his temporary appointment is vacated, and the judge he replaces shall receive the salary indicated for Judge, Superior Court.

The district attorney or public defender of a judicial district, with the approval of the Administrative Officer of the Courts, shall set the salaries of assistant district attorneys or assistant public defenders, respectively, in that district such that the average salaries of assistant district attorneys or assistant public defenders in that district do not exceed forty-five thousand eight hundred twenty-two dollars ($45,822), and the minimum salary of any assistant district attorney or assistant public defender is at least twenty-three thousand three hundred ninety-four dollars ($23,394) effective July 1, 1992.

(b) The salaries in effect for fiscal year 1991-92 for permanent, full-time employees of the Judicial Department, except for those whose salaries are itemized in this act, shall be increased by forty-three dollars and fifty cents ($43.50) per month, commencing July 1, 1992.

(c) The salaries in effect for fiscal year 1991-92 for all permanent, part-time employees of the Judicial Department shall be increased on and after July 1, 1992, by pro rata amounts of the forty-three dollars and fifty cents ($43.50) per month.

Requested by: Senators Marvin, Parnell, Representatives Nesbitt, Diamont

CLERK OF SUPERIOR COURT SALARY DETERMINATION/INCREASE

Sec. 40. G.S. 7A-101 reads as rewritten:

"§ *7A-101. Compensation.*

(a) The clerk of superior court is a full-time employee of the State and shall receive an annual salary, payable in equal monthly installments, ~~based on the population of the county, as determined by the population projections of the Office of State Budget and Management for the year preceding the first year of each biennial~~

~~budget,~~ based on the population of the county as determined in subsection (a1) of this section, according to the following schedule:

Population	Annual Salary		
	1989-90	1990-91	1992-93
Less than ~~99,999~~ 100,000	~~$ 44,256~~	~~46,920~~	~~$47,442~~
100,000 to 199,999	~~50,016~~	~~53,028~~	53,550
200,000 and above	~~57,072~~	~~60,504~~	61,026.

When a county changes from one population group to another, the salary of the clerk shall be ~~changed~~ changed, on July 1 of the fiscal year for which the change is reported, to the salary appropriate for the new population ~~group on July 1 of the first year of each biennial budget,~~ group, except that the salary of an incumbent clerk shall not be decreased by any change in population group during his continuance in office.

(a1) For purposes of subsection (a) of this section, the population of a county for any fiscal year shall be the population for the beginning of that fiscal year as reported by the Office of State Planning to the Administrative Office of the Courts prior to the beginning of that fiscal year.

(b) The clerk shall receive no fees or commission by virtue of his office. The salary set forth in this section is the clerk's sole official compensation, but if, on June 30, 1975, the salary of a particular clerk, by reason of previous but no longer authorized merit increments, is higher than that set forth in the table, that higher salary shall not be reduced during his continuance in office.

(c) In lieu of merit and other increment raises paid to regular State employees, a clerk of superior court shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the Budget Appropriation Act payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20 years of service. Service shall mean service in the elective position of clerk of superior court, as an assistant clerk of court and as a supervisor of clerks of superior court with the Administrative Office of the Courts and shall not include service as a deputy or acting clerk. Service shall also mean service as a justice or judge of the General Court of Justice or as a district attorney."

Requested by: Senator Cochrane, Representatives Nesbitt, Diamont

MAGISTRATES' SERVICE PAY

Sec. 41. G.S. 7A-171.1(4) reads as rewritten:

"(4) Notwithstanding any other provision of this section, a magistrate with 10 years' experience within the last 12 years as a sheriff or deputy sheriff, administrative officer for a district attorney, city or county police officer, campus police officer, wildlife officer, or highway patrolman in the State of North Carolina, or with 20 years' experience as a sheriff or deputy sheriff, city or county police officer, campus police officer, wildlife officer, or highway patrolman in the State of North Carolina, or with 10 years' experience within the last 12 years as clerk of superior court or an assistant or deputy clerk of court in the State of North Carolina shall receive the annual salary provided in the table in subdivision (1) for a magistrate with five years of service in addition to those the magistrate has served. A magistrate who qualifies for the increased salary under both subdivisions (3) and (4) of this subsection shall receive either the salary determined under subdivision (3) or that determined under subdivision (4), whichever is higher, but no more."

ASSISTANT AND DEPUTY CLERKS OF COURT/SALARY INCREASE

Sec. 42. G.S. 7A-102(c) reads as rewritten:

"(c) Notwithstanding the provisions of subsection (a), the Administrative Officer of the Courts shall establish an incremental salary plan for assistant clerks and for deputy clerks based on a series of salary steps corresponding to the steps contained in the Salary Plan for State Employees adopted by the Office of State Personnel, subject to a minimum and a maximum annual salary as set forth below. On and after July 1, 1985, each assistant clerk and each deputy clerk shall be eligible for an annual step increase in his salary plan based on satisfactory job performance as determined by each clerk. Notwithstanding the foregoing, if an assistant or deputy clerk's years of service in the office of superior court clerk would warrant an annual salary greater than the salary first established under this section, that assistant or deputy clerk shall be eligible on and after July 1, 1984, for an annual step increase in his salary plan. Furthermore, on and after July 1, 1985, that assistant or deputy clerk shall be eligible for an increase of two steps in his salary plan, and shall remain eligible for a two-step increase each year as recommended by each clerk until that assistant or deputy clerk's annual salary corresponds to his number of years of service. Any person covered by this subsection who would not receive a step increase in fiscal year 1992-93 because that person is at the top of the

salary range as it existed for fiscal year 1990-91 shall receive a salary increase to the maximum annual salary provided for fiscal year 1992-93 by subsection (c1) of this section.

(c1) A full-time assistant clerk or a full-time deputy clerk shall be paid an annual salary subject to the following minimum and maximum rates:

Assistant Clerks	Annual Salary		
	1989-90	1990-91	1992-93
Minimum	~~$ 19,536~~	~~20,712~~	$20,712
Maximum	~~32,772~~	~~34,740~~	35,262

Deputy Clerks	Annual Salary		
	1989-90	1990-91	1992-93
Minimum	~~$ 15,312~~	~~16,236~~	$16,236
Maximum	~~25,128~~	~~26,640~~	27,162."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

MAGISTRATES/SALARY INCREASE

Sec. 43. G.S. 7A-171.1(a)(1) reads as rewritten:

"(1) A full-time magistrate, so designated by the Administrative Officer of the Courts, shall be paid the annual salary indicated in the table below according to the number of years he has served as a magistrate. The salary steps shall take effect on the anniversary of the date the magistrate was originally appointed:

Table of Salaries of Full-Time Magistrates

Number of Prior Years of Service	Annual Salary		
	1989-90	1990-91	1992-93
Less than 1	~~$15,600~~	~~$16,536~~	$17,058
1 or more but less than 3	~~16,416~~	~~17,412~~	17,934
3 or more but less than 5	~~18,084~~	~~19,176~~	19,698
5 or more but less than 7	~~19,920~~	~~21,120~~	21,642
7 or more but less than 9	~~21,972~~	~~23,292~~	23,814
9 or more but less than 11	~~24,204~~	~~25,656~~	26,178
11 or more	~~26,628~~	~~28,236~~	28,758.

A 'Full-time magistrate' is a magistrate who is assigned to work an average of not less than 40 hours a week during his term of office.

Notwithstanding any other provision of this subdivision, a full-time magistrate, who was serving as a magistrate on

December 31, 1978, and who was receiving an annual salary in excess of that which would ordinarily be allowed under the provisions of this subdivision, shall not have the salary, which he was receiving reduced during any subsequent term as a full-time magistrate. That magistrate's salary shall be fixed at the salary level from the table above which is nearest and higher than the latest annual salary he was receiving on December 31, 1978, and, thereafter, shall advance in accordance with the schedule in the table above."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

COMMUNITY COLLEGES PERSONNEL/SALARY INCREASES

Sec. 44. The Director of the Budget may transfer from the Reserve for Salary Increases created in this act for fiscal year 1992-93 funds necessary to provide a salary increase of forty-three dollars and fifty cents ($43.50) per month, including funds for the employer's retirement and social security contributions, commencing July 1, 1992, for all permanent full-time community college institutional personnel supported by State funds. All permanent part-time community college institutional personnel supported by State funds shall receive pro rata amounts of the forty-three dollars and fifty cents ($43.50) per month. These funds may not be used for any purpose other than for the salary increases and necessary employer contributions provided by this section.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

HIGHER EDUCATION PERSONNEL/SALARY INCREASES

Sec. 45. The Director of the Budget may transfer from the Reserve for Salary Increases created in this act for fiscal year 1992-93 funds necessary to provide a salary increase of forty-three dollars and fifty cents ($43.50) per month, including funds for the employer's retirement and social security contributions commencing July 1, 1992, for each full-time employee of The University of North Carolina, as well as each full-time employee of the North Carolina School of Science and Mathematics, supported by State funds and whose salaries are exempt from the State Personnel Act; provided that the Board of Governors of The University of North Carolina may allocate the funds it receives for the salary increment for its employees in positions exempt from the State Personnel Act according to rules adopted by the Board of Governors. An additional one hundred thousand dollars ($100,000) shall be transferred from the Reserve for Salary Increases for salaries of teaching positions whose salaries are exempt from the

State Personnel Act at the North Carolina School of Science and Mathematics. The Board of Trustees of the North Carolina School of Science and Mathematics may allocate the funds it receives for the salary increment for its employees in positions exempt from the State Personnel Act according to rules adopted by the Board of Trustees of the School of Science and Mathematics. All part-time employees of The University of North Carolina, as well as all part-time employees of the North Carolina School of Science and Mathematics, supported by State funds and whose salaries are exempt from the State Personnel Act shall receive a pro rata amount of the forty-three dollars and fifty cents ($43.50) per month provided that the Board of Governors of The University of North Carolina may allocate the funds it receives for the salary increment for its employees in positions exempt from the State Personnel Act according to rules adopted by the Board of Governors, provided that for the North Carolina School of Science and Mathematics, according to rules adopted by the Board of Trustees of the school.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

MOST STATE EMPLOYEES/SALARY INCREASES/1992-93

Sec. 46. (a) The salaries in effect for fiscal year 1991-92 for all permanent full-time State employees whose salaries are set in accordance with the State Personnel Act and who are paid from the General Fund or the Highway Fund shall be increased, on and after July 1, 1992, unless otherwise provided by this act, by forty-three dollars and fifty cents ($43.50) per month.

(b) Except as otherwise provided in this act, the fiscal year 1991-92 salaries for permanent full-time State officials and persons in exempt positions that are recommended by the Governor or the Governor and the Advisory Budget Commission and set by the General Assembly shall be increased by forty-three dollars and fifty cents ($43.50) per month, commencing July 1, 1992.

(c) The salaries in effect for fiscal year 1991-92 for all permanent part-time State employees shall be increased on and after July 1, 1992, by pro rata amounts of the forty-three dollars and fifty cents ($43.50) per month salary increase provided for permanent full-time employees covered under subsection (a) of this section.

(d) The Director of the Budget may allocate out of special operating funds or from other sources of the employing agency, except tax revenues, sufficient funds to allow a salary increase, on and after July 1, 1992, in accordance with subsections (a), (b), or (c) of this section including funds for the employer's retirement and social security contributions, for the permanent full-time and part-time

employees of the agency, provided the employing agency elects to make available the necessary funds.

(e) Within regular Executive Budget Act procedures as limited by this act, all State agencies and departments may increase on an equitable basis the rate of pay of temporary and permanent hourly State employees, subject to availability of funds in the particular agency or department, by pro rata amounts of the forty-three dollars and fifty cents ($43.50) per month salary increase provided for permanent full-time employees covered by the provisions of subsection (a) of this section, commencing July 1, 1992.

(f) The provisions of this section do not apply to employees whose salaries are determined in accordance with G.S. 20-187.3(a), except for those employees who would not receive a salary increment for the 1992-93 fiscal year under G.S. 20-187.3(a) because they are at the top of their salary range.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

CERTAIN EXECUTIVE BRANCH OFFICIALS/SALARY INCREASES

Sec. 47. (a) The annual salaries, payable monthly, for the 1992-93 fiscal year for the following executive branch officials are:

Executive Branch Officials	Annual Salary 1992-93
Chairman, Alcoholic Beverage Control Commission	$72,930
State Controller	117,942
Commissioner of Motor Vehicles	72,930
Commissioner of Banks	72,930
Chairman, Employment Security Commission	72,930
State Personnel Director	75,774
Chairman, Parole Commission	66,594
Members of the Parole Commission	61,482
Chairman, Industrial Commission	65,526
Members of the Industrial Commission	63,930
Executive Director, Agency for Public Telecommunications	61,482
General Manager, Ports Railway Commission	55,518
Director, Museum of Art	74,730
Executive Director, Wildlife Resources Commission	62,946
Executive Director, North Carolina	

Housing Finance Agency	90.258
Executive Director, North Carolina Agricultural Finance Authority	70.986
Director, Office of Administrative Hearings	64.386.

(b) Any person carrying on the functions of a position listed in subsection (a) of this section shall be paid only the salary set out in that subsection, and the mere classification of the position to be some other position does not allow the salary of that position to be set in some other manner.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

PUBLIC SCHOOL PERSONNEL/SALARY INCREASES

Sec. 48. (a) Superintendents, Assistant Superintendents, Associate Superintendents, Supervisors, Directors, Coordinators, Evaluators, Program Administrators, Principals, and Assistant Principals.--The Director of the Budget may transfer from the Reserve for Salary Increases created in this act for fiscal year 1992-93 funds necessary to provide a salary increase of forty-three dollars and fifty cents ($43.50) per month, including funds for the employer's retirement and social security contributions, commencing July 1, 1992, for all superintendents, assistant superintendents, associate superintendents, supervisors, directors, coordinators, evaluators, program administrators, principals, and assistant principals whose salaries are supported from the State's General Fund. These funds may not be used for any purpose other than for the salary increase and necessary employer contributions provided by this subsection.

(b) Noncertified Employees. The Director of the Budget may transfer from the Reserve for Salary Increases created in this act for fiscal year 1992-93 funds necessary to provide a salary increase of forty-three dollars and fifty cents ($43.50) per month, including funds for the employer's retirement and social security contributions, commencing July 1, 1992, for all noncertified public school employees, except school bus drivers, whose salaries are supported from the State's General Fund. These funds may not be used for any purpose other than for the salary increases and necessary employer contributions provided by this subsection.

(c) The fiscal year 1991-92 pay rates adopted by local boards of education for school bus drivers shall be increased by at least two percent (2%) on and after July 1, 1992, to the extent that such rates of pay are supported by the allocation of State funds from the State Board of Education. Local boards of education shall increase the rates of pay for all school bus drivers who were employed during

fiscal year 1991-92 and who continue their employment for fiscal year 1992-93 by at least two percent (2%) on and after July 1, 1992. The Director of the Budget may transfer from the salary increase reserve fund created in Section 3 of this act for fiscal year 1992-93 funds necessary to provide the salary increases for school bus drivers whose salaries are supported from the State's General Fund in accordance with the provisions of this subsection.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

ALL STATE-SUPPORTED PERSONNEL/SALARY INCREASES

Sec. 49. (a) Salaries for positions that are funded partially from the General Fund or Highway Fund and partially from sources other than the General Fund or Highway Fund shall be increased from the General Fund or Highway Fund appropriation only to the extent of the proportionate part of the salaries paid from the General Fund or Highway Fund.

(b) The granting of the salary increases under this act does not affect the status of eligibility for salary increments for which employees may be eligible unless otherwise required by this act.

(c) The salary increases provided in this Part are to be effective July 1, 1992, do not apply to persons separated from State service due to resignation, dismissal, reduction in force, death, or retirement, whose last workday is prior to July 1, 1992, or to employees involved in written disciplinary procedures.

Payroll checks issued to employees after July 1, 1992, which represent payment for services provided prior to July 1, 1992, shall not be eligible for salary increases provided for in this act. This subsection shall apply to all employees, subject to or exempt from the State Personnel Act, paid from State funds, including public schools, community colleges, and The University of North Carolina.

(d) Notwithstanding the provisions of Section 19.1 of Chapter 1137 of the 1979 Session Laws, as amended by Chapter 1053 of the 1981 Session Laws, G.S. 115C-12(9)a., 115C-12(16), 126-7, or any other provision of law other than G.S. 20-187.3(a) and G.S. 7A-102(c), no employee or officer of the public school system shall receive an automatic increment, and no State employee or officer shall receive a merit increment during the 1992-93 fiscal year, except as otherwise permitted by this act.

(e) The Director of the Budget shall transfer from the Reserve for Salary Increases created in this act for fiscal year 1992-93 all funds necessary for the salary increases provided by this act, including funds for the employer's retirement and social security contributions.

(f) Nothing in this act authorizes the transfer of funds from the General Fund to the Highway Fund for salary increases.

Requested by: Representative Barnes
RESERVE FOR LOWEST PAID EMPLOYEES

Sec. 50. Notwithstanding any other provisions of the current law, the Office of State Budget and Management is authorized to transfer funds that are certified as performance pay reserves in the 1992-93 budget and are not required to continue support of performance pay allocations authorized in fiscal year 1990-91 to a Reserve for Lowest Paid Employees for the purpose of providing salary increases to the lowest paid State employees pursuant to Section 37 of Chapter 1066 of the 1989 Session Laws. When all agencies except Special Responsibility Constituent Institutions in The University of North Carolina System have received sufficient funds from the Reserve for Lowest Paid Employees in order to fully implement Section 37 of Chapter 1066 of the 1989 Session Laws, the remaining funds in that Reserve shall be available to Special Responsibility Constituent Institutions in The University of North Carolina System to implement that section. If such funds are insufficient for Special Responsibility Constituent Institutions in The University of North Carolina System to fully implement that section, they shall use funds otherwise available to fully implement that section.

Requested by: Senator Basnight
CONFORM LEGISLATIVE PER DIEM TO FEDERAL REGULATIONS

Sec. 51. Effective upon the convening of the 1993 Regular Session of the General Assembly, G.S. 120-3.1(a)(3) reads as rewritten:

"(3) A subsistence allowance for meals and lodging at a daily rate equal to the maximum per diem rate for federal employees traveling to Raleigh, North Carolina, as set out at ~~52 Federal Register 26644 (July 15, 1987),~~ 57 Federal Register 6684 (February 27, 1992), while the General Assembly is in session and, except as otherwise provided in this subdivision, while the General Assembly is not in session when, with the approval of the Speaker of the House in the case of Representatives or the President Pro Tempore of the Senate in case of Senators, the member is:

a. Traveling as a representative of the General Assembly or of its committees or commissions, or
b. Otherwise in the service of the State.

A member who is authorized to travel, whether in or out of session, within the United States outside North Carolina, may elect to receive, in lieu of the amount provided in the preceding paragraph, a subsistence allowance of ~~twenty dollars ($20.00)~~ twenty-six dollars ($26.00) a day for meals, plus actual expenses for lodging when evidenced by a receipt satisfactory to the Legislative Administrative Officer, the latter not to exceed the maximum per diem rate for federal employees traveling to the same place, as set out at ~~52 Federal Register 26630-26648 (July 15, 1987)~~ 57 Federal Register 6678-6687 (February 27, 1992) and at ~~52 Federal Register 33616-33617 (September 4, 1987)~~ 57 Federal Register 24474-24477 (June 9, 1992)."

Requested by: Senator Block, Representatives Nesbitt, Diamont

INCREASE THE RETIREMENT FORMULAS AND TO PROVIDE ADJUSTING INCREASES TO RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

Sec. 52. (a) G.S. 135-5(b12) reads as rewritten:

"(b12) Service Retirement Allowance of Members Retiring on or after July 1, ~~1990.~~ 1990, but before July 1, 1992. -- Upon retirement from service in accordance with subsection (a) above, on or after July 1, 1990, but before July 1, 1992, a member shall receive the following service retirement allowance:

(1) A member who is a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
   a. If the member's service retirement date occurs on or after his 55th birthday, and completion of five years of creditable service as a law enforcement officer, or after the completion of 30 years of creditable service, the allowance shall be equal to one and sixty-four hundredths percent (1.64%) of his average final compensation, multiplied by the number of years of his creditable service.
   b. This allowance shall also be governed by the provisions of G.S. 135-5(b9)(1)b.

(2) A member who is not a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
   a. If the member's service retirement date occurs on or after his 65th birthday upon the completion of five years

of creditable service or after the completion of 30 years of creditable service or on or after his 60th birthday upon the completion of 25 years of creditable service, the allowance shall be equal to one and sixty-four hundredths percent (1.64%) of his average final compensation, multiplied by the number of years of creditable service.

b. This allowance shall also be governed by the provisions of G.S. 135-5(b9)(2)b. c. and d."

(b) G.S. 135-5 is amended by adding a new subsection to read:

"(b13) Service Retirement Allowance of Members Retiring on or after July 1, 1992. -- Upon retirement from service in accordance with subsection (a) above, on or after July 1, 1992, a member shall receive the following service retirement allowance:

(1) A member who is a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:

a. If the member's service retirement date occurs on or after his 55th birthday, and completion of five years of creditable service as a law enforcement officer, or after the completion of 30 years of creditable service, the allowance shall be equal to one and seventy hundredths percent (1.70%) of his average final compensation, multiplied by the number of years of his creditable service.

b. This allowance shall also be governed by the provisions of G.S. 135-5(b9)(1)b.

(2) A member who is not a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:

a. If the member's service retirement date occurs on or after his 65th birthday upon the completion of five years of creditable service or after the completion of 30 years of creditable service or on or after his 60th birthday upon the completion of 25 years of creditable service, the allowance shall be equal to one and seventy hundredths percent (1.70%) of his average final compensation, multiplied by the number of years of creditable service.

b. This allowance shall also be governed by the provisions of G.S. 135-5(b9)(2)b. c. and d."

(c) G.S. 135-5 is amended by adding a new subsection to read:

"(tt) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1992. -- From and after July 1, 1992, the retirement allowance to or on account of beneficiaries on the retirement rolls as

of June 1, 1992, shall be increased by three and six-tenths percent (3.6%) of the allowance payable on June 1, 1992. This allowance shall be calculated on the allowance payable and in effect on June 30, 1992, so as not to be compounded on any other increase granted by act of the 1991 Session of the General Assembly, 1992 Regular Session."

(d) In order to fund the provisions of subsections (a) through (c) of this section, the Board of Trustees of the Teachers' and State Employees' Retirement System, with the advice of its consulting actuary, shall apply the unencumbered actuarial gain in the System by allocating the percentage of payroll contribution rates for employers between the normal and accrued liability contributions to the Retirement System without an increase in the total employer contribution rate.

(e) G.S. 128-27(b12) reads as rewritten:

"(b12) Service Retirement Allowance of Members Retiring on or after July 1, ~~1990~~, 1990, but before July 1, 1992. -- Upon retirement from service in accordance with subsection (a) above, on or after July 1, 1990, but before July 1, 1992, a member shall receive the following service retirement allowance:

(1) A member who is a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
   a. If the member's service retirement date occurs on or after his 55th birthday, and completion of five years of creditable service as a law enforcement officer, or after the completion of 30 years of creditable service, the allowance shall be equal to one and sixty-four hundredths percent (1.64%) of his average final compensation, multiplied by the number of years of his creditable service.
   b. This allowance shall also be governed by the provisions of G.S. 128-27(b8)(2).

(2) A member who is not a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:
   a. If the member's service retirement date occurs on or after his 65th birthday upon the completion of five years of creditable service or after the completion of 30 years of creditable service or on or after his 60th birthday upon the completion of 25 years of creditable service, the allowance shall be equal to one and sixty-four hundredths percent (1.64%) of his average final

compensation, multiplied by the number of years of creditable service.

b. This allowance shall also be governed by the provisions of G.S. 128-27(b7)(2a) and (3)."

(f) G.S. 128-27 is amended by adding a new subsection to read:

"(b13) Service Retirement Allowance of Members Retiring on or after July 1, 1992. -- Upon retirement from service in accordance with subsection (a) above, on or after July 1, 1992, a member shall receive the following service retirement allowance:

(1) A member who is a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:

a. If the member's service retirement date occurs on or after his 55th birthday, and completion of five years of creditable service as a law enforcement officer, or after the completion of 30 years of creditable service, the allowance shall be equal to one and seventy hundredths percent (1.70%) of his average final compensation, multiplied by the number of years of his creditable service.

b. This allowance shall also be governed by the provisions of G.S. 128-27(b8)(2).

(2) A member who is not a law enforcement officer or an eligible former law enforcement officer shall receive a service retirement allowance computed as follows:

a. If the member's service retirement date occurs on or after his 65th birthday upon the completion of five years of creditable service or after the completion of 30 years of creditable service or on or after his 60th birthday upon the completion of 25 years of creditable service, the allowance shall be equal to one and seventy hundredths percent (1.70%) of his average final compensation, multiplied by the number of years of creditable service.

b. This allowance shall also be governed by the provisions of G.S. 128-27(b7)(2a), (2b), and (3)."

(g) G.S. 128-27 is amended by adding a new subsection to read:

"(jj) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1992. -- From and after July 1, 1992, the retirement allowance to or on account of beneficiaries on the retirement rolls as of June 1, 1992, shall be increased by three and six-tenths percent (3.6%) of the allowance payable on June 1, 1992. This allowance shall be calculated on the allowance payable and in effect on June 30, 1992, so as not to be compounded on any other increase payable

under subsection (k) of this section or otherwise granted by act of the 1991 Session of the General Assembly, 1992 Regular Session."

(h) In order to fund the provisions of subsections (e) through (g) of this section, the Board of Trustees of the Local Governmental Employees' Retirement System, with the advice of its consulting actuary, shall apply the unencumbered actuarial gain in the System to the normal percentage contribution of payroll for employers to the Retirement System without an increase in the total employer's contribution rate.

(i) This section becomes effective July 1, 1992.

Requested by: Senator Basnight, Representatives Nesbitt, Diamont
INCREASE RETIREMENT ALLOWANCES

Sec. 53. (a) G.S. 128-27 is amended by adding a new subsection to read:

"(kk) From and after July 1, 1992, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1991, shall be increased by one and six-tenths percent (1.6%) of the allowance payable on July 1, 1991, in accordance with G.S. 128-27(k). Furthermore, from and after July 1, 1992, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1991, but before June 30, 1992, shall be increased by a prorated amount of one and six-tenths percent (1.6%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1991 and June 30, 1992."

(b) G.S. 135-5 is amended by adding a new subsection to read:

"(uu) From and after July 1, 1992, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1991, shall be increased by one and six-tenths percent (1.6%) of the allowance payable on July 1, 1991, in accordance with G.S. 135-5(o). Furthermore, from and after July 1, 1992, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 1991, but before June 30, 1992, shall be increased by a prorated amount of one and six-tenths percent (1.6%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1991 and June 30, 1992."

(c) G.S. 135-65 is amended by adding a new subsection to read:

"(m) From and after July 1, 1992, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 1991, shall be increased by one and six-tenths percent (1.6%) of the allowance payable on July 1, 1991. Furthermore, from and after July 1, 1992, the retirement allowance to or on account of

beneficiaries whose retirement commenced after July 1, 1991, but before June 30, 1992, shall be increased by a prorated amount of one and six-tenths percent (1.6%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 1991 and June 30, 1992."

(d) G.S. 120-4.22A is amended by adding a new subsection to read:

"(g) In accordance with subsection (a) of this section, from and after July 1, 1992, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before January 1, 1992, shall be increased by one and six-tenths percent (1.6%) of the allowance payable on July 1, 1992. Furthermore, from and after July 1, 1992, the retirement allowance to or on account of beneficiaries whose retirement commenced after January 1, 1992, but before June 30, 1992, shall be increased by a prorated amount of one and six-tenths percent (1.6%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between January 1, 1992 and June 30, 1992."

Requested by: Senators Daniel, Basnight, Plyler, Representatives Nesbitt, Diamont

SHERIFFS' PENSION FUND CHANGES

Sec. 54. (a) G.S. 143-166.83 reads as rewritten:

"§ *143-166.83. Disbursements.*

~~(a) Immediately following July 1, 1986, the Department of Justice shall divide an amount equal to forty-five percent (45%) of the assets of the Fund at the end of the preceding fiscal year into equal share and disburse the same as monthly pension payments to all eligible retired sheriffs as of July 1, 1986, payable in accordance with the method described in G.S. 143-166.85(a), except that such pension benefit shall be computed for a six-months basis beginning with the month of July, 1986.~~

(b) Immediately following January 1, ~~1987,~~ 1993, and the first of January of each succeeding calendar year thereafter, the Department of Justice shall divide an amount equal to ninety percent (90%) of the assets of the Fund at the end of the preceding calendar year ~~into equal shares~~ and shall add to that amount any assets remaining pursuant to subsection (f) of this section and disburse the same as monthly payments in accordance with the provisions of this Article.

(c) ~~The remaining ten~~ Ten percent (10%) of the Fund's assets as of ~~December 31, 1986,~~ January 1, 1993, and at the ~~end~~ beginning of each calendar year thereafter, may be used by the Department of Justice in administering the provisions of this Article. ~~For the~~

~~six-month period commencing July 1, 1986, five percent (5%) of the Fund's assets at the end of the preceding fiscal year may be used for this purpose.~~ This ten percent (10%) is to be derived from the Fund's assets prior to the addition of assets remaining pursuant to subsection (f) of this section.

(d) All the Fund's disbursements shall be conducted in the same manner as disbursements are conducted for other special funds of the State.

(e) If, for any reason, the Fund shall be insufficient to pay any pension benefits or other charges, then all benefits or payments shall be reduced pro rata for as long as the deficiency in amount exists. No claim shall accrue with respect to any amount by which a pension payment shall have been reduced.

(f) ~~As of January 1, 1987, and the beginning of each calendar year thereafter, any~~ Any assets remaining after reserving an amount equal to the disbursements required under subsections (b) and (c) of this section shall be ~~transferred to the Supplemental Retirement Income Plan for Local Governmental Law-Enforcement Officers, except elected Sheriffs, to be disbursed in accordance with the provisions of G.S. 143-166.50(e) as additional contributions made in the same manner as receipts from the cost of court collections.~~ accrued and included in disbursements for pensioners in succeeding years."

(b) G.S. 143-166.84 reads as rewritten:

"§ *143-166.84. Eligibility.*

(a) Each county sheriff who has retired from the Local Governmental Employees' Retirement ~~System or an equivalent locally sponsored plan on and before June 30, 1986,~~ System, and who has attained the age of 55 years or attained 30 years of creditable service regardless of age, and who has completed at least 10 years of eligible service as ~~sheriff~~ sheriff, is entitled to receive a monthly pension under this ~~Article, beginning July 1, 1986.~~ Article.

(a1) Each county sheriff who withdrew any service standing to his credit in the Local Governmental Employees' Retirement System prior to July 1, 1986, and who has attained the age of 55 or attained 30 creditable years of service regardless of age, and who has completed at least 10 years of eligible service as ~~sheriff~~ sheriff, is entitled to receive a monthly pension under this Article provided the sheriff is not eligible to receive any retirement benefit from any State or locally sponsored plan.

(a2) Each county sheriff who has been approved for disability benefits from the Local Governmental Employees' Retirement System is eligible to receive benefits from the Fund based on years of creditable service as sheriff, regardless of age, provided the retiree has at least 10 years of eligible service as sheriff.

(b) Each eligible retired ~~Sheriff~~ sheriff as defined in ~~subsection (a)~~ subsections (a), (a1), and (a2) of this section relating to ~~age, service, and retirement status on January 1 of each calendar year~~ age and service shall be entitled to receive a monthly pension under this Article beginning with the month ~~of January of the same calendar year,~~ immediately following the effective date of retirement."

(c) G.S. 143-166.85 reads as rewritten:

"§ *143-166.85. Benefits.*

(a) An eligible retired sheriff shall be entitled to and receive an annual pension benefit, payable in equal monthly installments, equal to one share for each full year of eligible service as sheriff multiplied by his total number of years of eligible service. The amount of each share shall be determined by dividing the total number of years of eligible service for all eligible retired sheriffs on December 31 of each calendar year into the amount to be disbursed as monthly pension payments in accordance with the provisions of G.S., 143-166.83(b). In no event however shall a monthly pension under this Article exceed an amount, which when added to a retired allowance at retirement from the Local Governmental Employees' Retirement System ~~or an equivalent locally sponsored plan~~ or to the amount he would have been eligible to receive if service had not been forfeited by the withdrawal of accumulated contributions, is greater than seventy-five percent (75%) of a sheriff's equivalent annual salary immediately preceding retirement computed on the latest monthly base rate, to a maximum amount ~~of one thousand dollars ($1,000),~~ of one thousand two hundred dollars ($1,200).

(b) All monthly pensions payable under this Article shall be paid on the last business day of each month.

(c) ~~Monthly pensions payable under this Article will cease at~~ At the death of the ~~pensioner and no payment will be made to any beneficiaries or to the decedent's estate,~~ pensioner, benefits for the current calendar year will continue and be paid in monthly installments to the decedent's spouse or estate, in accordance with the provisions of Chapter 28A of the General Statutes. Benefits will cease upon the last payment being made in December of the current year.

(d) Monthly pensions payable under this Article will cease upon the full-time reemployment of a pensioner with an employer participating in the Local Governmental Employees' Retirement System for as long as the pensioner is so reemployed.

(e) Repealed by Session Laws 1989, c. 792, s. 2.9.

(f) Nothing contained in this Article shall preclude or in any way affect the benefits that a pensioner may be entitled to from any state, federal or private pension, retirement or other deferred compensation plan."

(d) This section becomes effective January 1, 1993.

Requested by: Representative Nesbitt

SALARY INCREASE FOR STATE-FUNDED LOCAL PROGRAMS

Sec. 55. Of the funds appropriated from the General Fund for the Reserve for Salary Increases in this act for the 1992-93 fiscal year, funds shall be made available for employees in locally operated State-funded programs in an amount equivalent to a two percent (2%) across-the-board salary increase.

PART 14. PUBLIC SCHOOLS

Requested by: Senator Ward, Representatives H. Hunter, Fussell, Payne

CONTINUE MODEL TEACHER EDUCATION CONSORTIUM

Sec. 56. (a) Section 36.1 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 36.1. Of the funds appropriated to the Department of Public Education for the 1991-92 fiscal year and for the 1992-93 fiscal year for aid to local school administrative units, the State Board of Education shall use ~~$150,000~~ one hundred fifty thousand dollars ($150,000) for the 1991-92 fiscal year and one hundred seventy thousand dollars ($170,000) for the 1992-93 fiscal year for the model teacher education consortium established in Section 72 of Chapter 752 of the 1989 Session Laws. Of these funds, up to ~~$30,000~~ thirty thousand dollars ($30,000) for the 1991-92 fiscal year and up to fifty thousand dollars ($50,000) for the 1992-93 fiscal year may be used for administrative purposes."

(b) It is the intent of the General Assembly to put funds for the model teacher education consortium in the continuation budget for the 1993-95 fiscal biennium.

(c) Section 72(a) of Chapter 752 of the 1989 Session Laws reads as rewritten:

"(a) There is established a model teacher education consortium for the following local school administrative units: Gates County, Granville County, Halifax County, Hertford County, Northampton County, Vance County, Warren County, Roanoke Rapids City and Weldon City, with the collaboration of East Carolina University, Elizabeth City State University, ~~Atlantic Christian~~ Barton College, North Carolina Wesleyan College, Halifax Community College, and Vance-Granville Community College."

Requested by: Senator Ward, Representatives Fussell, Payne, Diamont, Nesbitt

REALLOCATION OF CERTAIN FUNDS FOR EXCEPTIONAL CHILDREN

Sec. 57. The State Board of Education may reallocate (i) funds that are repayments from local school administrative units as a result of audit exceptions of exceptional children headcounts and student records, (ii) any prior year's refunds of exceptional children funds to the public school fund, and (iii) any penalties assessed on those funds. The funds shall be available for reallocation by the State Board and for expenditure by the local school administrative units for the remainder of the fiscal year in which they are collected and for the subsequent fiscal year. The funds shall be allocated by the State Board in accordance with policies adopted by the State Board for the exceptional children's program.

Requested by: Senator Ward, Representatives Fussell, Payne, Nesbitt

OUTCOME-BASED EDUCATION FUNDS

Sec. 58. (a) Section 199(b) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(b) Of the funds appropriated to the Department of Public Education, the sum of ~~$100,000~~ one hundred thousand dollars ($100,000) for the 1991-92 fiscal year shall be used for advance planning for the outcome-based education program at ~~four~~ pilot sites pursuant to subsection (a) of this section and the sum of ~~$3,000,000~~ three million dollars ($3,000,000) for the 1992-93 fiscal year shall be used to implement the program at the ~~four~~ pilot sites. ~~These~~ Of the funds appropriated for the 1992-93 fiscal year, the sum of one hundred thousand dollars ($100,000) shall be used by the Department of Public Instruction to provide technical assistance, evaluate programs, refine proficiencies and outcomes, and otherwise implement the program; the remainder of these funds shall be allocated first on the basis of ~~$500.00~~ five hundred dollars ($500.00) for each State-funded certificated employee participating in the ~~program.~~ program and then on a pro rata basis based on the number of State-funded certificated employees. These funds shall be used (i) for staff development activities, including planning activities, for teachers, administrators, and school board members, (ii) to pay substitute teachers while teachers are engaged in staff development activities, ~~and~~ (iii) to pay 10-month employees for participating in staff development activities, including planning activities during the ~~summer.~~ summer, and (iv) to allow the pilots to use funds for specific other purposes such as evaluation, dissemination of information, and implementation of proficiencies.

It is the intent of the General Assembly to appropriate an additional ~~$3,000,000~~ three million dollars ($3,000,000) each year for the 1993-94 through 1996-97 fiscal years to complete the implementation of the outcome-based education program at the ~~four~~ six sites."

(b) G.S. 115C-238.13(a) reads as rewritten:

"(a) The State Board of Education shall develop and implement an outcome-based education program. The State Board of Education shall select ~~four sites~~ six sites, at least one of which shall be a consortium, to participate in the program for five fiscal years beginning with the 1992-93 fiscal year. The first year of the project shall be a year for the sites to plan their projects. The remaining four years shall be to implement the projects and to demonstrate their effectiveness."

Requested by: Senator Ward, Representatives Fussell, Payne

EARLY CHILDHOOD EDUCATION COORDINATOR FUNDS

Sec. 59. The Department of Public Instruction may use up to seventy-five thousand dollars ($75,000) of the funds appropriated to the Department of Public Education for aid to local school administrative units for the 1992-93 fiscal year for an early childhood education coordinator. The early childhood education coordinator shall provide technical assistance to local school administrative units in offering appropriate services for children pre-kindergarten through grade five.

Requested by: Senator Ward, Representatives Fussell, Payne, Rogers, Nesbitt

LOW PERFORMING UNITS

Sec. 60. (a) If a local school administrative unit is identified as a low performing school system or placed on warning status by the State Board of Education in accordance with G.S. 115C-64.1, the Department of Public Instruction may use up to one million two hundred thousand dollars ($1,200,000) of the funds appropriated for aid to local school administrative units to provide the local school administrative unit with staff development activities and technical assistance to enable the unit to improve student performance and decrease dropout rates.

The Department of Public Instruction shall not use these funds for new employee positions.

(b) If a local school administrative unit is identified as a low performing school system by the State Board of Education in accordance with G.S. 115C-64.1, and that local school administrative unit receives small school system supplemental funding, low-wealth counties supplemental funding, or both, the local school administrative unit shall use those funds to implement the plan for improving student

performance and decreasing dropout rates that it submitted to the State Board of Education in accordance with G.S. 115C-64.2(a).

If a local school administrative unit is placed on warning status by the State Board of Education, and that local school administrative unit receives small school system supplemental funding, low-wealth counties supplemental funding, or both, the local school administrative unit shall use those funds to implement a locally developed plan for improving student performance and decreasing dropout rates.

(c) The Board of Governors of The University of North Carolina shall require the Offices of School Services at the constituent institutions to provide in-kind technical assistance worth at least six hundred thousand dollars ($600,000) through the Department of Public Instruction to local school administrative units that are identified as low performing school systems or placed on warning status by the State Board of Education in accordance with G.S. 115C-64.1.

Requested by: Senator Ward, Representatives Fussell, Payne, Nesbitt
PROSPECTIVE TEACHER SCHOLARSHIP LOAN FUNDS

Sec. 61. Of the funds appropriated to the Department of Public Education for the 1992-93 fiscal year for prospective teacher scholarship loans, the Superintendent of Public Instruction may designate up to two hundred thousand dollars ($200,000) for the 1992-93 fiscal year scholarship loans to teacher assistants enrolled in accredited teacher education programs.

Requested by: Senator Ward, Representatives Fussell, Payne
PUPIL TRANSPORTATION FUNDS

Sec. 62. The Department of Public Instruction shall implement the Pupil Transportation Program Improvements Implementation Projects authorized by Section 55 of Chapter 752 of the 1989 Session Laws. The Department of Public Instruction may use up to five hundred thousand dollars ($500,000) of the funds appropriated for the 1992-93 fiscal year for aid to local school administrative units for pupil transportation to assist local school administrative units with (i) unique difficulties implementing the new funding formula or (ii) efforts to improve efficiency of pupil transportation operations.

The Department shall report to the appropriations committees of the Senate and the House of Representatives and to the Fiscal Research Division in December of 1992 on the implementation of the projects specified in this section.

Requested by: Senator Ward, Representatives Fussell, Payne
STAFF DEVELOPMENT FUND AVAILABILITY

Sec. 63. (a) Funds allocated by the State Board of Education for staff development at the local level for the 1991-92 fiscal year shall remain available for expenditure until August 31, 1992.

(b) Funds allocated by the State Board of Education for staff development at the local level for the 1992-93 fiscal year shall become available for expenditure July 1, 1992, and shall remain available for expenditure until August 31, 1993.

(c) Effective July 1, 1993, Chapter 115C of the General Statutes is amended by adding a new section to read:

"*§ 115C-417. Availability of funds allocated for staff development.*

Funds allocated by the State Board of Education for staff development at the local level shall become available for expenditure on September 1 of each fiscal year and shall remain available for expenditure until August 31 of the subsequent fiscal year."

(d) This section is effective on and after June 30, 1992.

Requested by: Senator Ward, Representatives Fussell, Payne, Diamont, Nesbitt

NORTH CAROLINA CLOSE UP FUNDS

Sec. 64. The Department of Public Instruction may use up to fifteen thousand dollars ($15,000) of the funds within its budget for the 1992-93 fiscal year for the North Carolina Close Up Program to enable the program to promote citizenship education.

Requested by: Senator Ward, Representatives Fussell, Payne

APPROPRIATION OF FUNDS FROM STATE LITERARY FUND

Sec. 65. There is appropriated from the State Literary Fund to the Department of Public Education the sum of one million dollars ($1,000,000) for the 1992-93 fiscal year for aid to local school administrative units.

Requested by: Representatives Fussell, Payne, Rogers, Diamont, Nesbitt

SUPPLEMENTAL SCHOOL FUNDING FOR SMALL AND LOW WEALTH COUNTIES/STUDY

Sec. 66. Of the funds appropriated to the Department of Public Education in Section 3 of this act for the 1992-93 fiscal year, the sum of three million dollars ($3,000,000) shall be used for small school supplemental funding in accordance with Section 201.1 of Chapter 689 of the 1991 Session Laws, as rewritten by Sections 47.1 and 47.2 of Chapter 761 of the 1991 Session Laws. These funds are in addition to the funds in the amount of four million dollars ($4,000,000) appropriated for this purpose in Chapter 689 of the 1991 Session Laws.

Sec. 67. Section 201.2 of Chapter 689 of the 1991 Session Laws, as rewritten by Section 47.3 of Chapter 761 of the 1991 Session Laws, reads as rewritten:

"Sec. 201.2. (a) The General Assembly finds that it is appropriate to provide supplemental funds in low-wealth counties to allow those counties to enhance the instructional program and student achievement; therefore, of the funds appropriated to the Department of Public Education, the sum of ~~$6,000,000~~ six million dollars ($6,000,000) for the 1991-92 fiscal year and the sum of ~~$6,000,000~~ nine million dollars ($9,000,000) for the 1992-93 fiscal year shall be used for supplemental funds for schools. The State Board of Education shall allocate these funds to the counties in which the adjusted property tax base per student for that county is less than the State average adjusted property tax base per student. The amount each such county receives shall be its pro rata share of the funds appropriated for supplemental funding in this act, computed as follows:

(1) Divide the county adjusted property tax base per student by the State adjusted property tax base per student;
(2) Multiply the resulting amount by the State average current expense appropriations per student;
(3) Subtract the resulting amount per student from the State average county current expense appropriations per student; and
(4) Multiply the resulting amount by the average daily membership of students in the county.

The funds a county receives shall be allocated to each local school administrative unit, located in whole or in part in the county, based on the average daily membership of the county's students in the school units.

This formula is solely a basis for distribution of supplemental funding for low-wealth counties and is not intended to reflect any measure of the adequacy of the educational program or funding for public schools. The formula is also not intended to reflect any commitment by the General Assembly to appropriate any additional supplemental funds for low-wealth counties.

(b) Funds received pursuant to this section shall be used only to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, ~~and~~ instructional supplies and ~~equipment.~~ equipment, staff development, and textbooks.

(c) Nonsupplant Requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement and not supplant existing State and local funding for public schools.

The Local Government Commission shall analyze the budgets and the expenditures of school administrative units that receive funds under this section in light of their budgets and expenditures for the previous year and shall determine whether those funds were used to supplement and not supplant State and local funding for public schools. The Local Government Commission shall report the results of its study to the State Board of Education, to the Joint Legislative Education Oversight Committee, and to the Appropriations Committees of the Senate and the House of Representatives, prior to May 1, 1992, and May 1, 1993.

(d) Definitions. -- As used in this act:

(1) 'Average daily membership' means average daily membership as defined in the North Carolina Public Schools Allotment Policy Manual, adopted by the State Board of Education.

(2) 'County adjusted property tax base per student' means the total assessed property valuation for each county, adjusted using a weighted average of the three most recent annual sales assessment ratio studies, divided by the total number of students in average daily membership who reside within the county, and further adjusted using the ratio of the county's per capita income to the State average per capita income.

(3) 'Effective county tax rate' means the actual county tax rate multiplied by a weighted average of the three most recent annual sales assessment ratio studies.

(4) 'Per capita income' means the per capita income according to the most recent report of the United States Department of Commerce, Bureau of Economic Analysis.

(5) 'Sales assessment ratio studies' means sales assessment ratio studies performed by the Department of Revenue under G.S. 105-289(h).

(6) 'State adjusted property tax base per student' means the sum of all county adjusted property tax bases divided by the total number of students who reside within the State.

(7) 'State average current expense appropriations per student' means the most recent State total of county current expense appropriations to public schools, as reported by counties in the annual county financial information report to the State Treasurer, divided by the total State average daily membership for that year.

(8) 'Weighted average of the three most recent annual sales assessment ratio studies' means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense

appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

(e) Minimum Effort Required. -- Counties that receive funding under this section shall maintain an effective county tax rate that is at least one hundred percent (100%) of the State average effective tax in the most recent year for which data are available. Any county that fails to maintain an effective county tax rate that is at least one hundred percent (100%) of the State average effective tax in the most recent year for which data are available shall refund to the State the entire amount of its allocation under this section.

(e1) Notwithstanding the provisions of this section, for the 1992-93 fiscal year only, counties that received funding under this section for the 1991-92 fiscal year, shall receive at least as much funding under this section for the 1992-93 fiscal year.

For the 1992-93 fiscal year only, the funds Edgecombe County receives shall be allocated to each local school administrative unit, located in whole or in part in the county including the Nash-Rocky Mount School Administrative Unit, based on the average daily membership of the county's students in the school units.

(f) Counties that receive funds under this section shall report to the State Board of Education before March 1 each year on how they are using the funds for the fiscal year. The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to May 1, 1992, and May 1, 1993, on how the funds are being used."

Sec. 68. It is the intent of the General Assembly to include in the continuation budget for the 1993-95 fiscal biennium the funds appropriated for the 1992-93 fiscal year to provide supplemental funds to low-wealth and small counties to allow those counties to enhance the instructional program and student achievement. It is further the intent of the General Assembly to adopt a comprehensive formula for the distribution of these funds for the 1993-95 fiscal biennium and for subsequent fiscal bienniums.

Sec. 69. (a) The Legislative Study Commission on Supplemental School Funding is created. The Commission shall consist of 12 members: six members appointed by the President Pro Tempore of the Senate, at least four of whom are Senators, and six

members appointed by the Speaker of the House of Representatives, at least four of whom are Representatives.

(b) The President Pro Tempore of the Senate shall designate one Senator as cochair and the Speaker of the House of Representatives shall designate one Representative as cochair.

(c) The Commission shall study:

(1) The manner in which funds are distributed to provide supplemental funds to low-wealth and small counties to allow those counties to enhance the instructional program and student achievement;

(2) The manner in which funds are distributed from the Critical School Facility Needs Fund to provide school capital fund to counties that have the greatest critical school facility needs in relation to resources available to pay for school facility needs; and

(3) Whether the current methods of allocating the funds are appropriate.

(d) The Commission shall submit a final report of its findings and recommendations to the General Assembly on or before March 1, 1993, by filing the report with the President Pro Tempore of the Senate and the Speaker of the House of Representatives. Upon filing its final report, the Commission shall terminate.

(e) The Commission, while in the discharge of official duties, may exercise all the powers provided for under the provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the joint call of the cochairmen. The Commission may meet in the Legislative Building or the Legislative Office Building.

(f) Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, G.S. 138-5, or G.S. 138-6.

(g) The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. The Legislative Services Commission, through the Legislative Administrative Officer, shall assign professional staff to assist in the work of the Commission. The House of Representatives and the Senate's Supervisor of Clerks shall assign clerical staff to the commission or committee, upon the direction of the Legislative Services Commission. The expenses relating to clerical employees shall be borne by the Commission.

(h) When a vacancy occurs in the membership of the Commission the vacancy shall be filled by the same appointing officer who made the initial appointment.

(i) All State departments and agencies and local governments and their subdivisions shall furnish the Commission with any information in their possession or available to them.

Requested by: Senator Ward, Representatives Fussell, Payne, Nesbitt, Diamont

MODIFICATIONS TO APPROPRIATIONS TO THE DEPARTMENT OF PUBLIC EDUCATION FOR THE 1992-93 FISCAL YEAR

Sec. 70. Effective July 1, 1992, Section 6(f) of Chapter 812 of the 1991 Session Laws reads as rewritten:

"(f) Of the funds appropriated to the Department of Public Education for the 1991-93 fiscal biennium, the funds for the operation and maintenance of the Department of Public Instruction, for State aid to nonstate agencies, and for the operation of the State Board of Education are as follows:

DEPARTMENT OF PUBLIC EDUCATION
TOTAL REQUIREMENTS

1991-92

FUND	Department of Public Instruction	Aid to Local School Administrative Units	State Board of Education
1000	2,276,885	--	118,900
1100	11,594,516	--	--
1200	2,542,623	--	--
1300	4,370,254	--	--
1400	12,551,101	--	16,146
1500	2,927,256	--	--
1600	11,386,980	--	17,668
1700	--	--	--
1800	--	3,199,427,158	--
1900	491,734	--	--
TOTAL	48,141,349	3,199,427,158	152,714

1992-93

FUND	Department of Public Instruction	Aid to Local School Administrative Units	State Board of Education
1000	~~2,271,969~~ 2,571,969	--	93,900
1100	11,578,464	--	--
1200	2,543,364	--	--
1300	4,326,584	--	--
1400	12,826,595	--	16,146
1500	~~2,923,299~~ 6,923,299	--	--
1600	11,281,018	--	17,668
1700	--	--	--
1800	--	~~3,267,053,247~~ 3,253,680,746	--
1900	491,734	--	--
TOTAL	~~48,243,027~~ 52,543,027	~~3,267,053,247~~ 3,253,680,746	127,714

".

Requested by: Senator Ward, Representatives Diamont, Nesbitt, Barnes, Fussell, Payne

DIFFERENTIATED PAY

Sec. 71. (a) Of the funds appropriated to the Department of Public Education, Aid to Local School Administrative Units, for the 1992-93 fiscal year, the sum of twenty-nine million five hundred thousand dollars ($29,500,000) shall be used for differentiated pay for public school employees.

(b) Each local school administrative unit that voted in accordance with Section 194 of Chapter 689 of the 1991 Session Laws to continue or modify, in accordance with the School Improvement and Accountability Act of 1989, its existing differentiated pay plan shall receive two percent (2%) of its State-paid teachers' and administrators' salaries, and the employer's contribution for social security and retirement. These funds shall be spent in accordance with the differentiated pay plan in effect for the unit.

(c) Each local school administrative unit that voted in accordance with Section 194 of Chapter 689 of the 1991 Session Laws for across-the-board bonuses for all affected employees shall receive one and fifty hundredths percent (1.50%) of its State-paid teachers' and administrators' salaries, and the employer's contribution for social security and retirement.

Within 30 days of the first teacher workday of the 1992-93 school calendar, each local board of education shall review and reassess the

differentiated pay plan that was in effect for the unit for the 1990-91 school year and shall determine whether the plan should be reinstated, reinstated with modifications, or replaced with a different plan. Within 60 days of the first teacher workday of the 1992-93 school year, the local board shall present to affected employees for their review and vote a differentiated pay plan for the 1992-93 school year only. The proposed differentiated pay plan shall take effect on or after November 1, 1992. The proposed differentiated pay plan may be a continuation or modification of the plan for the 1990-91 school year that was adopted in accordance with the School Improvement and Accountability Act of 1989 or it may be a new differentiated pay plan developed in accordance with the School Improvement and Accountability Act of 1989. The proposed differentiated pay plan shall not be a proposal for across-the-board bonuses for all affected employees.

The vote shall be by secret ballot. All of the certificated instructional staff members, instructional support staff members, and certificated administrators who are eligible to receive funds for differentiated pay under the School Improvement and Accountability Act of 1989 may vote. The local board shall immediately submit the option that receives a majority of all the votes cast to the Superintendent of Public Instruction for his approval. A differentiated pay plan shall become effective upon the approval of the Superintendent.

(d) All local school administrative units, including career ladder pilot units, shall adopt new differentiated pay plans for the 1993-94 school year, in accordance with the School Improvement and Accountability Act of 1989.

(e) With regard to the amount of State funds appropriated in subsequent fiscal years for local school administrative units that were career ladder pilot units, it is the intent of the General Assembly that any reductions in appropriations not result in teachers receiving less, in salary and State-funded bonus, than they received on a monthly basis during the prior fiscal year so long as the teachers qualify for bonuses under the local differentiated pay plan.

(f) Subsections (a) through (c) of this section do not apply to any funds appropriated for the career ladder pilot units.

With regard to a local school administrative unit that resulted from the merger of a career ladder pilot unit and another unit, subsections (a) through (c) of this section shall apply only to funds received under this section to administer the School Improvement and Accountability Act of 1989.

Requested by: Senators Barnes, Ward, Representatives Diamont, Nesbitt, Barnes, Fussell, Payne

TEACHER SALARY SCHEDULE

Sec. 72. (a) The Director of the Budget may transfer from the Reserve for Salary Increases for the 1992-93 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one percent (1%) of base salary for 10 to 14 years of State service, one and one-half percent (1.5%) of base salary for 15 to 19 years of State service, two percent (2%) of base salary for 20 to 24 years of State service, and two and one-half percent (2.5%) of base salary for 25 years of State service, commencing July 1, 1992, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals according to rules adopted by the State Board of Education and the Superintendent of Public Instruction. The longevity payment shall be paid in a lump sum once a year.

(b)(1) Beginning July 1, 1992, the following monthly salary schedule shall apply to certified personnel of the public schools who are classified as "A" teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

Years of Experience	1992-93 Salary
00	$1,982
01	2,022
02	2,062
03	2,103
04	2,145
05	2,188
06	2,232
07	2,277
08	2,323
09	2,369
10	2,416
11	2,464
12	2,513
13	2,563
14	2,614
15	2,666
16	2,719
17	2,773

18	2,828
19	2,885
20	2,943
21	3,002
22	3,062
23	3,123
24	3,185
25	3,249
26	3,314
27	3,380
28	3,448
29+	3,517

(2) Beginning July 1, 1992, the following monthly salary schedule shall apply to certified personnel of the public schools who are classified as "G" teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

Years of Experience	1992-93 Salary
00	$2,106
01	2,148
02	2,191
03	2,235
04	2,280
05	2,326
06	2,373
07	2,420
08	2,468
09	2,517
10	2,567
11	2,618
12	2,670
13	2,723
14	2,777
15	2,833
16	2,890
17	2,948
18	3,007
19	3,067
20	3,128
21	3,191
22	3,255
23	3,320

24	3.386
25	3.454
26	3.523
27	3.593
28	3.665
29+	3.738

(3) Beginning July 1, 1992, the following monthly salary schedule shall apply to certified public school teachers with certification based on academic preparation at the six-year degree level. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

Years of Experience	1992-93 Salary
00	$2.159
01	2.202
02	2.246
03	2.291
04	2.337
05	2.384
06	2.432
07	2.481
08	2.531
09	2.582
10	2.634
11	2.687
12	2.741
13	2.796
14	2.852
15	2.909
16	2.967
17	3.026
18	3.087
19	3.149
20	3.212
21	3.276
22	3.342
23	3.409
24	3.477
25	3.547
26	3.618
27	3.690
28	3.764
29+	3.839

(4) Beginning July 1, 1992, the following monthly salary schedule shall apply to certified public school teachers with certification based on academic preparation at the doctoral degree level. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

Years of Experience	1992-93 Salary
00	$2,211
01	2,255
02	2,300
03	2,346
04	2,393
05	2,441
06	2,490
07	2,540
08	2,591
09	2,643
10	2,696
11	2,750
12	2,805
13	2,861
14	2,918
15	2,976
16	3,036
17	3,097
18	3,159
19	3,222
20	3,286
21	3,352
22	3,419
23	3,487
24	3,557
25	3,628
26	3,701
27	3,775
28	3,851
29+	3,928

(c) The General Assembly finds that it is necessary to have a teacher salary schedule based on years of teaching experience that applies consistently to all teachers throughout the State: therefore, notwithstanding any other provision of law, the salary schedule set out in this section shall apply to all public school teachers within the State and no teacher in any local school administrative unit shall be entitled

to a State salary or a State salary and bonus, except as provided in a local differentiated pay plan, in excess of the amount set out in this section.

(d) The first step of the salary schedule for school psychologists shall be equivalent to Step 5, corresponding to five years of experience, on the salary schedule established in this section for certified personnel of the public schools who are classified as "G" teachers. Certified psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Requested by: Senator Ward, Representatives Fussell, Payne, Nesbitt
PRELIMINARY SCHOLASTIC APTITUDE TEST OPPORTUNITIES

Sec. 73. The State Board of Education may allocate up to five hundred twenty-five thousand dollars ($525,000) of the funds available for aid to local school administrative units for the 1992-93 fiscal year to give students the opportunity to take the Preliminary Scholastic Aptitude Test, as authorized in G.S. 115C-174.18.

It is the intent of the General Assembly to put funds for this purpose in the continuation budget for the 1993-95 fiscal biennium.

Requested by: Senators Warren, Ward, Representatives Fussell, Payne, Rogers, Diamont, Barnes
PUBLIC SCHOOL TUITION STUDY/OUT-OF-STATE STUDENTS

Sec. 74. The Joint Legislative Education Oversight Committee shall study the issue of requiring out-of-state students who attend public schools in North Carolina to pay the full cost of their education. The Committee shall report the results of its study to the 1993 General Assembly.

Requested by: Senators Barnes, Perdue, Ward, Representatives Barnes, Fussell, Payne, Diamont, Nesbitt
MANAGEMENT FLEXIBILITY FOR LOCAL BOARDS OF EDUCATION AND INDIVIDUAL SCHOOLS

Sec. 75. (a) The General Assembly finds that it is appropriate to consolidate certain funding categories in the Public School Fund; therefore, 32 of the existing funding categories in the Public School Fund are combined into 14 categories as follows:

(1) 6602 - Asst Superintendent
    6612 - Supervisors
(2) 6603 - Clerical Asst
    6627 - Clerical School Based

(3) 6614 - Substitute Pay
6303 - Substitute Pay-Voc Ed
(4) 6684 - Instruction Equipment
6623 - Instruction Supplies
6644 - Testing Support
(5) 5400 - Driver Education Cars
6657 - Driver Education
(6) 6636 - Alcohol/Drug Abuse Prev
6635 - Alcohol/Drug Defense
6630 - Substance Abuse Counselor
(7) 6659 - Staff Development
6691 - Staff Dev-Finance Officer
6617 - Staff Dev-Child Nutr Supr
(8) 6670 - Exceptional Children
6696 - Except Child Related Ser
(9) 6610 - Bus Driver
6611 - Transportation Personnel
(10) 6624 - Tires, Repair Parts
6625 - Fuel-Buses
6626 - Transportation-Other Exp
(11) 6619 - Social Security
6304 - Soc Security-Voc Ed
(12) 6618 - State Retirement
6305 - State Retirement-Voc Ed
(13) 6615 - Medical Insurance
6306 - Medical Insurance-Voc Ed
(14) 6669 - Longevity
6347 - Longevity-Voc Ed

(b) The following four funding categories are transferred from the Public School Fund to Fund 1900 - Reserves and Transfers:

(1) 6991 - Health Adventure
(2) 6992 - Cued Speech Center
(3) 6993 - Public School Forum
(4) 8180 - Children's Trust Fund.

(c) The Office of State Budget and Management shall retain the funding categories for the Public School Fund not combined or transferred by subsections (a) and (b) of this section and shall reorganize them in a more rational and orderly manner.

(d) The following two funding categories are transferred from the Department of Public Instruction to Fund 1900 - Reserves and Transfers:

(1) 8128 - Teaching Fellows
(2) 8171 - Prospective Teacher Loan.

Sec. 75.1. (a) G.S. 115C-238.1 reads as rewritten:

"§ 115C-238.1. Performance-based Accountability Program: development and implementation by State Board.

The General Assembly believes that all children can learn. It is the intent of the General Assembly that the mission of the public school community is to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential. With that mission as its guide, the ~~The~~ State Board of Education shall develop and implement a Performance-based Accountability Program. The primary goal of the Program shall be to improve student performance. The State Board of Education shall adopt:

(1) Procedures and guidelines through which, beginning with the 1990-91 fiscal year, local school administrative units may participate in the Program;

(2) Guidelines for developing local school improvement plans with ~~three-to-five year~~ three-year student performance goals and annual milestones to measure progress in meeting those goals; and

(3) A set of student performance indicators for measuring and assessing student performance in the participating local school administrative units. These indicators may include attendance rates, dropout rates, test scores, parent involvement, and post-secondary outcomes."

(b) G.S. 115C-238.3 reads as rewritten:

"§ 115C-238.3. ~~Elements~~ Development of local plans; elements of local plans.

(a) Development of systemwide plan by the local board of education. -- The board of education of a local school administrative unit that elects to participate in the Program shall develop and submit a local school improvement plan for the entire local school administrative unit to the State Superintendent of Public Instruction before April 15 of the fiscal year preceding the fiscal year in which participation is sought. ~~The local board of education shall actively involve a substantial number of teachers, school administrators, and other school staff in developing the local school improvement plan.~~

A systemwide improvement plan shall remain in effect for no more than three years.

(b) Establishment of student performance goals by the local board of education for the systemwide plan. -- ~~The local school improvement plan shall set forth (i) the~~ The local board of education shall establish student performance goals ~~established by the local board of education~~ for the local school administrative ~~unit and (ii) the unit's strategies and plans for attaining them.~~ unit. The local board of education shall actively involve an advisory panel composed of a substantial number of teachers, school administrators, other school staff, and parents of

children enrolled in the local school administrative unit, in developing the student performance goals for the local school improvement plan. It is the intent of the General Assembly that teachers have a major role in developing the student performance goals for the local school improvement plan; therefore, at least half of the staff members participating in this advisory panel shall be teachers. The teachers in the local school administrative unit shall select the teachers who are involved in the advisory panel.

The performance goals for the local school administrative unit shall address specific, measurable goals for all student performance indicators adopted by the State Board. Factors that determine gains in achievement vary from school to school; therefore, socioeconomic factors and previous student performance indicators shall be used as the basis of the local school improvement plan.

(b1) Development by each school of strategies for attaining local student performance goals. -- ~~The strategies for attaining the local student performance goals shall be based on plans for each individual school in the local school administrative unit.~~ The principal of each ~~school and his staff~~ school, representatives of the building-level staff, and parents of children enrolled in the school shall develop a building-level plan to address student performance goals appropriate to ~~the~~ that school from those established by the local board of education. These strategies may include requests for waivers of State laws, regulations, or policies for that school. A request for a waiver shall (i) identify the State laws, regulations, or policies that inhibit the local unit's ability to reach its local accountability goals, (ii) set out with specificity the circumstances under which the waiver may be used, and (iii) explain how a waiver of those laws, regulations, or policies will permit the local unit to reach its local goals.

Support among affected staff members is essential to successful implementation of a building-level plan to address student performance goals appropriate to a school; therefore, the principal of the school shall present the proposed building-level plan to all of the staff assigned to the school building for their review and vote. The vote shall be by secret ballot. The principal may submit the building-level plan to the local board of education for inclusion in the systemwide plan only if the proposed building-level plan has the approval of a majority of the staff who voted on the plan.

The local board of education shall accept or reject the building-level plan. The local board shall not make any substantive changes in any building-level plan that it accepts; the local board shall set out any building-level plan that it accepts in the systemwide plan. If the local board rejects a building-level plan, the local board shall state with specificity its reasons for rejecting the plan; the principal of the

school for which the plan was rejected, representatives of the building-level staff, and parents of children enrolled in the school may then prepare another plan, present it to the building-level staff for a vote, and submit it to the local board for inclusion in the systemwide plan. If no building-level plan is accepted for a school before March 15 of the fiscal year preceding the fiscal year in which participation is sought, the local board may develop a plan for the school for inclusion in the systemwide plan; the General Assembly urges the local board to utilize the proposed building-level plan to the maximum extent possible when developing such a plan.

(c) Development by each school of a differentiated pay plan for that school; development by the local board of education of a differentiated pay plan for central office personnel. --

(1) The local school administrative unit shall consider a plan for differentiated pay. The local plan shall include a plan for differentiated pay, in accordance with G.S. 115C-238.4, unless the local school administrative unit elects not to participate in any differentiated pay plan.

(2) The principal of each school, representatives of the building-level staff, and parents of children enrolled in the school shall develop a building-level differentiated pay plan for the school when they develop their building-level plan to address student performance goals appropriate to the school.

Support among affected staff members is essential to successful implementation of a building-level differentiated pay plan; therefore, the principal of the school shall present the proposed building-level plan to all of the staff eligible to receive differentiated pay, in accordance with G.S. 115C-238.4(a), for their review and vote. The vote shall be by secret ballot. The principal may submit the building-level differentiated pay plan to the local board of education only if the proposed building-level differentiated pay plan has the approval of a majority of the staff who voted on the plan.

The local board of education shall accept or reject the building-level differentiated pay plan. The local board shall not make any substantive changes in any building-level plan that it accepts; the local board shall set out any building-level plan that it accepts in the systemwide differentiated pay plan. If the local board rejects a building-level plan, the local board shall state with specificity its reasons for rejecting the plan; the principal of the school for which the plan was rejected, representatives of the building-level staff, and parents of children enrolled in the school may then prepare another plan, present it to all of the staff eligible to

receive differentiated pay, in accordance with G.S. 115C-238.4(a), for a vote, and submit it to the local board for inclusion in the systemwide plan. If no building-level plan is accepted for a school before March 15 of the fiscal year preceding the fiscal year in which participation is sought, the local board may develop a plan for the school building for inclusion in the systemwide plan; the General Assembly urges the local board to utilize the proposed building-level plan to the maximum extent possible when developing such a plan.

(3) The local board of education shall develop a plan for differentiated pay for all central office personnel eligible to receive differentiated pay, in accordance with G.S. 115C-238.4(a), and shall include the plan in the systemwide differentiated pay plan.

(4) A systemwide differentiated pay plan shall remain in effect for no more than three years. At the end of three years, a plan to continue, discontinue, or modify that differentiated pay plan shall be developed in accordance with subdivisions (2) and (3) of this subsection.

~~(d) The local plan may include a request for a waiver of State laws, regulations, or policies. The request for a waiver shall identify the State laws, regulations, or policies that inhibit the local unit's ability to reach its local accountability goals and shall explain how a waiver of those laws, regulations, or policies will permit the local unit to reach its local goals.~~"

(c) G.S. 115C-238.4 reads as rewritten:

"§ *115C-238.4. Differentiated pay.*

(a) Local school administrative units may include, but are not required to include, a systemwide differentiated pay plan for certified instructional staff, certified instructional support staff, and certified administrative staff as a part of their local school improvement plans. Units electing to include differentiated pay plans in their school improvement plans shall base their differentiated pay plans on:

(1) ~~The Career Development Pilot Program, G.S. 115C-363 *et seq.*;~~ A career development pilot program;

(2) ~~The Lead Teacher Pilot Program, G.S. 115C-363.28 *et seq.*;~~ A lead teacher pilot program;

(3) A locally designed school-based performance program, subject to limitations and guidelines adopted by the State Board of Education;

(4) A differentiated pay plan that the State Board of Education finds has been successfully implemented in another state; or

(5) A locally designed plan including any combination or modification of the foregoing plans.

A differentiated pay plan may also authorize the use of State differentiated pay funds for staff development and planning activities and for paying substitute teachers as is necessary to provide time for staff development and planning activities.

(b) ~~Support among affected staff members is essential to successful implementation of a differentiated pay plan; therefore, a local board of education that decides that a differentiated pay plan should be included in its local school improvement plan shall present a proposed differentiated pay plan to affected staff members for their review and vote. The vote shall be by secret ballot. The local board of education shall include the proposed differentiated pay plan in its local school improvement plan only if the proposed plan has the approval of a majority of the affected paid certificated instructional and instructional support staff and a majority of the affected certificated administrators.~~

~~Every three years after a differentiated pay plan receives such approval, the local board of education shall present a proposed plan to continue, discontinue, or modify that differentiated pay plan to affected staff members for their review and vote. The vote shall be by secret ballot. The local board of education shall include the proposed plan in its local school improvement plan only if the proposed plan has the approval of a majority of the affected paid certificated instructional and instructional support staff and a majority of the affected certificated administrators.~~

Differentiated pay plans shall be developed and voted on in accordance with G.S. 115C-238.3(c).

~~(c) Local school administrative units electing to participate in a differentiated pay plan shall receive State funds according to the terms of the plan but not to exceed:~~

~~(1) 1990-91: two percent (2%) of teacher and administrator salaries, and the employer's contributions for social security and retirement;~~

~~(2) 1991-92: three percent (3%) of teacher and administrator salaries, and the employer's contributions for social security and retirement;~~

~~(3) 1992-93: four percent (4%) of teacher and administrator salaries, and the employer's contributions for social security and retirement;~~

~~(4) 1993-94: five and one-half percent (5 1/2%) of teacher and administrator salaries, and the employer's contributions for social security and retirement; and~~

~~(5) 1994-95 and thereafter: seven percent (7%) of teacher and administrator salaries, and the employer's contributions for social security and retirement.~~

Any differentiated pay plan developed in accordance with this section shall be implemented within State and local funds available for differentiated pay.

~~(d) Attainment of the equivalent of Career Status I shall be rewarded through a new salary schedule that provides a salary differential when a certified educator successfully completes his probationary period.~~

(e) Any additional compensation received by an employee as a result of the unit's participation in the Program shall be paid as a bonus or supplement to the employee's regular salary. If an employee in a participating unit does not receive additional compensation, such failure to receive additional compensation shall not be construed as a demotion, as that term is used in G.S. 115C-325.

Payments of bonuses or supplements shall be made no more frequently than once every calendar quarter: Provided, however, prior to the 1994-95 school year, payments in the career development pilot units may be made on a monthly basis.

(f) If a local school administrative unit bases its differentiated pay plan on a locally designed school-based performance program, pursuant to subdivision (a)(3) of this section, the plan shall provide that following the attainment of the local school goals, the local board of education shall make a determination of which certified staff members contributed to the attainment of those goals. Differentiated pay bonuses shall then be distributed to those designated employees. The local board of education shall make the determination upon recommendation of (i) the superintendent and (ii) any other person or committee designated in the local differentiated pay plan. The other person or committee designated in the local differentiated pay plan may be the principal, a school-based committee, or any other person or local committee."

(d) G.S. 115C-238.6 reads as rewritten:

"*§ 115C-238.6. Approval of local school administrative unit plans by the State Superintendent; conditions for continued participation.*

(a) Prior to June 30 each year, the State Superintendent shall review local school improvement plans submitted by the local school administrative units in accordance with policies and performance indicators adopted by the State Board of Education. If the State Superintendent approves the plan for a local school administrative unit, that unit shall participate in the Program for the next fiscal year.

If a local plan contains a request for a waiver of State laws, regulations, or policies, in accordance with ~~G.S. 115C-238.3(d)~~ G.S.

115C-238.3(b1), the State Superintendent shall determine whether and to what extent the identified laws, regulations, or policies should be waived. The State Superintendent shall present that plan and his determination to the State Board of Education. If the State Board of Education deems it necessary to do so to enable a local unit to reach its local accountability goals, the State Board, only upon the recommendation of the State Superintendent, may grant waivers of:

(1) State laws pertaining to class size, teacher certification, assignment of teacher assistants, the use of State-adopted textbooks, and the purposes for which State funds for the public schools, except for funds for school health coordinators, may be used: Provided, however, the State Board of Education shall not permit the use of funds for teachers for expanded programs under the Basic Education Program for any other purpose;

(2) All State regulations and policies, except those pertaining to State salary schedules and employee benefits for school employees, the instructional program that must be offered under the Basic Education Program, the system of employment for public school teachers and administrators set out in G.S. 115C-325, health and safety codes, compulsory school attendance, the minimum lengths of the school day and year, and the Uniform Education Reporting System.

Waivers shall be granted only for the specific schools for which they are requested in building-level plans and shall be used only under the specific circumstances for which they are requested.

(b) Local school administrative units shall continue to participate in the Program and receive funds for differentiated pay, if their local plans call for differentiated pay, so long as (i) they demonstrate satisfactory progress toward student performance goals set out in their local school improvement plans; or (ii) once their local goals are met, they continue to achieve their local goals and they otherwise demonstrate satisfactory performance, as determined by the State Superintendent in accordance with guidelines set by the State Board of Education.

If the local school administrative units do not achieve their goals after two years, the Department of Public Instruction shall provide them with technical assistance to help them meet their goals. If after one additional year they do not achieve their goals, the State Board of Education shall decide what steps shall be taken to improve the education of students in the unit."

(e) G.S. 115C-12(9) is amended by adding a new sub-subdivision to read:

"(9) Miscellaneous Powers and Duties. -- All the powers and duties exercised by the State Board of Education shall be in conformity with the Constitution and subject to such laws as may be enacted from time to time by the General Assembly. Among such duties are:

a. To certify and regulate the grade and salary of teachers and other school employees.

b. To adopt and supply textbooks.

c. To adopt rules requiring all local boards of education to implement the Basic Education Program on an incremental basis within funds appropriated for that purpose by the General Assembly and by units of local government. Beginning with the 1991-92 school year, the rules shall require each local school administrative unit to implement fully the standard course of study in every school in the State in accordance with the Basic Education Program so that every student in the State shall have equal access to the curriculum as provided in the Basic Education Program and the standard course of study.

The Board shall establish benchmarks by which to measure the progress that each local board of education has made in implementing the Basic Education Program. The Board shall report to the Joint Legislative Education Oversight Committee and to the General Assembly by December 31, 1991, and by February 1 of each subsequent year on each local board's progress in implementing the Basic Education Program, including the use of State and local funds for the Basic Education Program.

The Board shall develop a State accreditation program that meets or exceeds the standards and requirements of the Basic Education Program. The Board shall require each local school administrative unit to comply with the State accreditation program to the extent that funds have been made available to the local school administrative unit for implementation of the Basic Education Program.

The Board shall use the State accreditation program to monitor the implementation of the Basic Education Program.

c1. To issue an annual 'report card' for the State and for each local school administrative unit, assessing each unit's efforts to improve student performance and

taking into account progress over the previous years' level of performance and the State's performance in comparison with other states. This assessment shall take into account demographic, economic, and other factors that have been shown to affect student performance.

c2. To develop management accountability indicators to measure the efficiency and appropriate use of staff in each school and at the administrative office. Staff development for school administrators shall be a high priority of the Department of Public Instruction.

c3. To develop a system of school building improvement reports for each school building. The purpose of school building improvement reports is to measure improvement in student performance at each school building from year to year, not to compare school buildings. The Board may consider for inclusion in the building reports the following criteria: test scores, the success of graduating students in postsecondary institutions, attendance, graduation and dropout rates, the numbers of children enrolled in free lunch or Chapter 1 programs, the education level of the parents of children enrolled in the school, the teaching experience of the school staff, and whether the building has been successful in meeting the goals of the building and systemwide plans developed in accordance with G.S. 115C-238.1 through G.S. 115C-238.6. Local school administrative units shall produce school building improvement reports by March 15, 1995, and annually thereafter. Each report shall be based on building-level data for the prior school year.

d. To formulate rules and regulations for the enforcement of the compulsory attendance law.

e. To manage and operate a system of insurance for public school property, as provided in Article 38 of this Chapter.

In making substantial policy changes in administration, curriculum, or programs the Board should conduct hearings throughout the regions of the State, whenever feasible, in order that the public may be heard regarding these matters."

(f) G.S. 115C-47 is amended by adding a new subdivision to read:

"(35) To produce school building improvement reports. -- Each administrative unit shall produce school building improvement reports for each school building in the local school administrative unit, in accordance with G.S. 115C-12(9)c3."

(g) The State Board of Education shall submit its proposed plan to develop and implement a system for building improvement reports to the Joint Legislative Education Oversight Committee no later than December 31, 1992. The Joint Legislative Education Oversight Committee shall submit a proposed plan to the 1993 General Assembly for its approval during its 1993 session.

(h) G.S. 115C-81(a) reads as rewritten:

"(a) The General Assembly believes that all children can learn. It is the intent of the General Assembly that the mission of the public school community is to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential. With that mission as its guide, the ~~The~~ State Board of Education shall adopt a Basic Education Program for the public schools of the State. Before it adopts or revises the Basic Education Program, the State Board shall consult with an Advisory Committee, including at least eight members of local boards of education, that the State Board appoints from a list of nominees submitted by the North Carolina School Boards Association. The State Board shall report annually to the General Assembly on any changes it has made in the program in the preceding 12 months and any changes it is considering for the next 12 months.

~~The State Board of Education shall review the Basic Education Program in an effort to (i) simplify the Basic Education Program, especially the standard course of study and the core curriculum for all students, and (ii) assure that the Program adopted by the State Board and implemented by the local boards of education carries out the intent of the General Assembly to provide every student in the State equal access to a Basic Education Program. The State Board shall report the results of its review to the Joint Legislative Education Oversight Committee and to the General Assembly prior to March 15, 1992.~~

The State Board shall implement the Basic Education Program within funds appropriated for that purpose by the General Assembly and by units of local government. It is the intent of the General Assembly that until the Basic Education Program is fully funded, the implementation of the Basic Education Program shall be the focus of State educational funding. It is the goal of the General Assembly that the Basic Education Program be fully funded and completely operational in each local school administrative unit by July 1, 1995.

It is further a goal of the General Assembly to provide supplemental funds to low-wealth counties to allow those counties to enhance the instructional program and student achievement."

(i) G.S. 115C-238.13(a) reads as rewritten:

"(a) The General Assembly believes that all children can learn. It is the intent of the General Assembly that the mission of the public school community is to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential. With that mission as its guide, the ~~The~~ State Board of Education shall develop and implement an outcome-based education program. The State Board of Education shall select four sites to participate in the program for five fiscal years beginning with the 1992-93 fiscal year. The first year of the project shall be a year for the sites to plan their projects. The remaining four years shall be to implement the projects and to demonstrate their effectiveness."

(j) Article 24B of Chapter 115C of the General Statutes is repealed.

(k) Article 24D of Chapter 115C of the General Statutes is repealed.

(l) This section is effective upon ratification. Subsections (a) through (d) of this section apply to all local school improvement plans developed after ratification of this act. All participating units shall develop new school improvement plans in accordance with this act for the 1993-94 school year.

Requested by: Senators Perdue, Ward, Representatives Fussell, Payne

SCHOOL SITE-BASED MANAGEMENT

Sec. 76. (a) Part 4 of Article 15 of Chapter 115C of the General Statutes is amended by adding a section to read:

"*§ 115C-238.7. Creation of the Task Force on Site-Based Management; appointment of a Director of the Task Force of Site-Based Management.*

(a) There is created the Task Force on Site-Based Management within the Department of Public Instruction.

The Task Force shall be composed of 15 members appointed as follows:

(1) The Superintendent of Public Instruction;

(2) One member of the State Board of Education appointed by the State Board of Education;

(3) Two members of the Senate appointed by the President Pro Tempore of the Senate;

(4) Two members of the House of Representatives appointed by the Speaker of the House of Representatives;

(5) One member of a local board of education appointed by the President Pro Tempore of the Senate after receiving

recommendations from The North Carolina State School Boards Association, Inc.;

(6) One member of a local board of education appointed by the Speaker of the House of Representatives after receiving recommendations from The North Carolina State School Boards Association, Inc.;

(7) One local school superintendent appointed by the President Pro Tempore of the Senate after receiving recommendations from the North Carolina Association of School Administrators;

(8) One local school superintendent appointed by the Speaker of the House of Representatives after receiving recommendations from the North Carolina Association of School Administrators;

(9) One school principal appointed by the President Pro Tempore of the Senate after receiving recommendations from the Tar Heel Association of Principals/Assistant Principals;

(10) One school principal appointed by the Speaker of the House of Representatives after receiving recommendations from the Tar Heel Association of Principals/Assistant Principals;

(11) One school teacher appointed by the President Pro Tempore of the Senate after receiving recommendations from the North Carolina Association of Educators, Inc., the North Carolina Federation of Teachers, and the Professional Educators of North Carolina, Inc.;

(12) One school teacher appointed by the Speaker of the House of Representatives after receiving recommendations from the North Carolina Association of Educators, Inc., the North Carolina Federation of Teachers, and the Professional Educators of North Carolina, Inc.; and

(13) The Director of the Task Force on Site-Based Management, appointed by the Superintendent of Public Instruction in accordance with subsection (d) of this section.

Members of the Task Force shall serve for two-year terms.

All members of the Task Force shall be voting members. Vacancies in the appointed membership shall be filled by the officer who made the initial appointment. The Director of the Task Force on Site-Based Management shall serve as chair of the Task Force.

Members of the Task Force shall receive travel and subsistence expenses in accordance with the provisions of G.S. 120-3.1, G.S. 138-5, and G.S. 138-6.

(b) The Task Force shall:

(1) Monitor the implementation of the School Improvement and Accountability Act of 1989, as amended, especially the development and implementation of building-level plans;

(2) Advise the Director of the Task Force on Site-Based Management on how to provide training and assistance to the public schools so as to facilitate the implementation of site-based management;

(3) Review by September 1, 1992, publications produced by the Department of Public Instruction on the development and implementation of building-level plans;

(4) Report to the General Assembly within the first week of the convening of the 1993 General Assembly and biennially thereafter on the implementation of site-based management in the public schools. This report may contain a summary of recommendations for changes to any law, rule, and policy that would improve site-based management.

(c) The Department of Public Instruction shall provide staff to the Task Force at the request of the Task Force.

(d) The State Superintendent of Public Instruction shall appoint a Director of the Task Force on Site-Based Management. The Director shall direct a program in the Department of Public Instruction to provide training and assistance to the public schools to facilitate the implementation of site-based management.

The Director shall supervise such site-based management specialists from each of the six technical assistance centers of the Department of Public Instruction as may be assigned by the State Superintendent. The specialists shall work directly with the local school administrative units and with school-based committees to provide them with training and assistance to facilitate the implementation of site-based management. The specialists shall coordinate their activities with the central office."

(b) Of the funds appropriated to the Department of Public Education, for the 1992-93 fiscal year, the sum of three hundred thousand dollars ($300,000) shall be used to carry out the provisions of G.S. 115C-238.7, as enacted by subsection (a) of this section.

Requested by: Senator Ward, Representatives Fussell, Payne

SCHOOL TRANSPORTATION SYSTEM PENALTY

Sec. 77. (a) G.S. 115C-240(d) reads as rewritten:

"(d) The State Board of Education shall assist local boards of education by establishing guidelines and a framework through which local boards may establish, review and amend school bus routes prepared pursuant to G.S. 115C-246. The State Board shall also

require local boards to implement the Transportation Information Management System or an equivalent system approved by the State Board of Education, no later than ~~July 1, 1992.~~ September 1, 1992. The State Board of Education shall also assist local boards of education with reference to the acquisition and maintenance of school buses or any other question which may arise in connection with the organization and operation of school bus transportation systems of local boards."

(b) G.S. 115C-438 reads as rewritten:

"*§ 115C-438. Provision for disbursement of State money.*

The deposit of money in the State treasury to the credit of local school administrative units shall be made in monthly installments, and additionally as necessary, at such time and in such a manner as may be most convenient for the operation of the public school system. Before an installment is credited, the school finance officer shall certify to the State Board of Education the expenditures to be made by the local school administrative unit from the State Public School Fund during the month. This certification shall be filed on or before the fifth day following the end of the month preceding the period in which the expenditures will be made. The State Board of Education shall determine whether the moneys requisitioned are due the local school administrative unit, and upon determining the amount due, shall cause the requisite amount to be credited to the local school administrative unit. Upon receiving notice from the State Treasurer of the amount placed to the credit of the local school administrative unit, the finance officer may issue State warrants up to the amount so certified.

The State Board of Education may withhold money for payment of salaries for administrative officers of local school administrative units if any report required to be filed with State school authorities is more than 30 days overdue. The State Board of Education shall withhold money for payment of salaries for the superintendent, finance officer, and all other administrative officers charged with providing payroll information pursuant to G.S. 115C-12(18), if the local school administrative unit fails to provide the payroll information to the State Board in a timely fashion and substantially in accordance with the standards set by the State Board. The State Board of Education shall also withhold money used for payment of salaries for the superintendent, transportation director, and all other administrative officers or employees charged by the local board of education or the local superintendent with implementing the Transportation Information Management System, pursuant to G.S. 115C-240(d), if the State Board finds that a local school administrative unit is not progressing in good faith and is not using its best efforts to implement the Transportation Information Management System.

Money in the State Public School Fund and State bond moneys shall be released only on warrants drawn on the State Treasurer, signed by such local official as may be required by the State Board of Education."

Requested by: Senators Conder, Ward, Representatives Fussell, Payne, Diamont, Nesbitt

SOFT DRINK SALES

Sec. 78. G.S. 115C-264 reads as rewritten:

"§ *115C-264. Operation.*

In the operation of their public school food programs, the public schools shall participate in the National School Lunch Program established by the federal government. The program shall be under the jurisdiction of the Division of School Food Services of the Department of Public Instruction and in accordance with federal guidelines as established by the Child Nutrition Division of the United States Department of Agriculture.

Each school may, with the approval of the local board of education, sell soft drinks to students so long as soft drinks are not sold (i) during the lunch period, (ii) at elementary schools, or (iii) contrary to the requirements of the National School Lunch Program.

All school food services shall be operated on a nonprofit basis, and any earnings therefrom over and above the cost of operation as defined herein shall be used to reduce the cost of food, to serve better food, or to provide free or reduced-price lunches to indigent children and for no other purpose. The term 'cost of operation' shall be defined as actual cost incurred in the purchase and preparation of food, the salaries of all personnel directly engaged in providing food services, and the cost of nonfood supplies as outlined under standards adopted by the State Board of Education. 'Personnel' shall be defined as food service supervisors or directors, bookkeepers directly engaged in food service record keeping and those persons directly involved in preparing and serving food: Provided, that food service personnel shall be paid from the funds of food services only for services rendered in behalf of lunchroom services. Any cost incurred in the provisions and maintenance of school food services over and beyond the cost of operation shall be included in the budget request filed annually by local boards of education with boards of county commissioners. It shall not be mandatory that the provisions of G.S. 115C-522(a) and 143-129 be complied with in the purchase of supplies and food for such school food services."

Requested by: Senators Conder, Ward, Representatives Fussell, Payne, Diamont

SCHOOL LIABILITY FOR SCHOOL PROPERTY USE LIMITED

Sec. 79. (a) G.S. 115C-524(b) reads as rewritten:

"(b) It shall be the duty of local boards of education and tax-levying authorities, in order to safeguard the investment made in public schools, to keep all school buildings in good repair to the end that all public school property shall be taken care of and be at all times in proper condition for use. It shall be the duty of all principals, teachers, and janitors to report to their respective boards of education immediately any unsanitary condition, damage to school property, or needed repair. All principals, teachers, and janitors shall be held responsible for the safekeeping of the buildings during the school session and all breakage and damage shall be repaired by those responsible for same, and where any principal or teacher shall permit damage to the public school buildings by lack of proper discipline of pupils, such principal or teacher shall be held responsible for such damage: Provided, principals and teachers shall not be held responsible for damage that they could not have prevented by reasonable supervision in the performance of their duties.

Notwithstanding the provisions of G.S. 115C-263 and 115C-264, local boards of education ~~shall have the authority to~~ may adopt rules and regulations ~~by which school buildings, including cafeterias and lunchrooms, may be used~~ under which they may enter into agreements permitting non-school groups to use school real and personal property, except for school buses, for other than school purposes so long as such use is consistent with the proper preservation and care of the public school property. No liability shall attach to any board of education, individually or collectively, for personal injury suffered by reason of the use of such school ~~property.~~ property pursuant to such agreements."

(b) This section is effective upon ratification.

Requested by: Senator Ward, Representatives Fussell, Payne, Diamont, Nesbitt

PAYROLL DEDUCTION CLARIFIED

Sec. 80. If an employee of the State or any of its institutions, departments, bureaus, agencies, or commissions, or any of its local boards of education or community colleges, authorizes, in writing, the deduction each payroll period from the employee's salary or wages a designated lump sum to be paid to the employees' association, in accordance with G.S. 143-3.3(g), that authorization shall remain in effect until revoked by the employee.

Requested by: Senators Warren, Ward, Representatives Fussell, Payne, Diamont, Nesbitt, Barnes

ENSURE ADEQUATE TEXTBOOK FUNDS

Sec. 81. (a) G.S. 115C-96 reads as rewritten:

"§ *115C-96. Powers and duties of the State Board of Education in regard to textbooks.*

The children of the public elementary and secondary schools of the State shall be provided with free basic textbooks within the appropriation of the General Assembly for that purpose. ~~The~~ To implement this directive, the State Board of Education ~~is directed to~~ shall evaluate annually the amount of money necessary to provide textbooks based on the actual cost and availability of textbooks and shall request sufficient appropriations from the General ~~Assembly to implement this directive.~~ Assembly.

The State Board of Education shall administer a fund and establish rules and regulations necessary to:

(1) Acquire by contract such basic textbooks as are or may be on the adopted list of the State of North Carolina which the Board finds necessary to meet the needs of the State public school system and to carry out the provisions of this Part.

(2) Provide a system of distribution of these textbooks and distribute the books that are provided without using any depository or warehouse facilities other than those operated by the State Board of Education.

(3) Provide for the free use, with proper care and return, of elementary and secondary basic textbooks. The title of said books shall be vested in the State."

(b) G.S. 143-11 reads as rewritten:

"§ *143-11. Survey of departments.*

On or before the fifteenth day of December, biennially in the even-numbered years, the Director shall make a complete, careful survey of the operation and management of all the departments, bureaus, divisions, officers, boards, commissions, institutions, and agencies and undertakings of the State and all persons or corporations who use or expend State funds, in the interest of economy and efficiency, and of obtaining a working knowledge upon which to base recommendations to the General Assembly as to appropriations for maintenance and special funds and capital expenditures for the succeeding biennium. If the Director and the Commission shall agree in their recommendations for the budget for the next biennial period, he shall prepare their report in the form of a proposed budget, together with such comment and recommendations as they may deem proper to make. If the Director and Commission shall not agree in substantial particulars, the Director shall prepare the proposed budget

based on his own conclusions and judgment, and the Commission or any of its members retain the right to submit separately to the General Assembly such statement of disagreement and the particulars thereof as representing their views. The budget report shall contain a complete and itemized plan of all proposed expenditures for each State department, bureau, board, division, institution, commission, State agency or undertaking, person or corporation who receives or may receive for use and expenditure any State funds, in accordance with the classification adopted by the State Controller, and of the estimated revenues and borrowings for each year in the ensuing biennial period beginning with the first day of July thereafter. Opposite each item of the proposed expenditures, the budget shall show in separate parallel columns the amount expended for the last preceding appropriation year, for the current appropriation year, and the increase or decrease. The budget shall clearly differentiate between general fund expenditures for operating and maintenance, special fund expenditures for any purpose, and proposed capital outlays.

The Director shall accompany the budget with:

(1) A budget message supporting his recommendations and outlining a financial policy and program for the ensuing biennium. The message will include an explanation of increase or decrease over past expenditures, a discussion of proposed changes in existing revenue laws and proposed bond issues, their purpose, the amount, rate of interest, term, the requirements to be attached to their issuance and the effect such issues will have upon the redemption and annual interest charges of the State debt.

(2) State Controller reports including:

a. An itemized and complete financial statement for the State at the close of the last preceding fiscal year ending June 30.

b. A statement of special funds.

(2a) A statement showing the itemized estimates of the condition of the State treasury as of the beginning and end of each of the next two appropriation years.

(3) A report on the fees charged by each State department, bureau, division, board, commission, institution, and agency during the previous fiscal year, the statutory or regulatory authority for each fee, the amount of the fee, when the amount of the fee was last changed, the number of times the fee was collected during the prior fiscal year, and the total receipts from the fee during the prior fiscal year.

(4) A statement showing the State Board of Education's request, in accordance with G.S. 115C-96, for sufficient funds to provide textbooks to public school students.

It shall be a compliance with this section by each incoming Governor, at the first session of the General Assembly in his term, to submit the budget report with the message of the outgoing Governor, if he shall deem it proper to prepare such message, together with any comments or recommendations thereon that he may see fit to make, either at the time of the submission of the said report to the General Assembly, or at such other time, or times, as he may elect and fix.

The function of the Advisory Budget Commission under this section applies only if the Director of the Budget consults with the Commission in preparation of the budget."

(c) G.S. 115C-238.5 reads as rewritten:

"§ *115C-238.5. Flexible funding.*

(a) For fiscal years beginning with the 1990-91 fiscal year, the State Board of Education, only upon the recommendation of the State Superintendent, shall increase flexibility in the use of State funds for schools by combining into a single funding category the existing categories for instructional materials, supplies and equipment, textbooks, testing support, and drivers education except for funds for classroom teachers of drivers education. Only local school administrative units electing to participate in the Performance-based Accountability Program shall be eligible to receive this flexible funding.

(b) Notwithstanding subsection (a) of this section, for fiscal years beginning with the 1992-93 fiscal year, State funds for textbooks shall be set out in a separate allotment category.

(c) Local boards of education shall provide maximum flexibility in the use of funds to individual schools to enable them to accomplish their individual schools' goals."

(d) Subsections (a), (b), and (d) of this section are effective upon ratification. Subsection (c) of this section becomes effective July 1, 1992. Subsections (a) and (b) of this section apply to all budget requests beginning with the budget request for the 1993-95 fiscal biennium.

PART 15. COMMUNITY COLLEGES

Requested by: Senator Ward, Representatives Fussell, Payne

HUSKINS BILL QUALITY CONTROL

Sec. 82. (a) Community college contracts with local school administrative units shall not be used by these agencies to supplant funding for a public school high school teacher providing courses

offered pursuant to G.S. 115D-20(4) who is already employed by the local school administrative unit. However, if a community college contracts with a local school administrative unit for a public high school teacher to teach a college level course, the community college shall not generate budget FTE for that course. Its reimbursement in this case shall be limited to the direct instructional costs contained in the contract, plus fifteen percent (15%) for administrative costs. In no event shall a community college contract with a local school administrative unit to provide high school level courses.

(b) The Joint Committee on College Transfer shall review this issue as it relates to community colleges and constituent institutions of The University of North Carolina. This review shall include an assessment of what constitutes college level course work. The Committee shall report the results of this review to the General Assembly and to the Joint Legislative Education Oversight Committee by March 1, 1993.

(c) The State Board of Community Colleges shall study the entire Huskins Bill issue. The Board shall report the results of its study, together with any recommendations, including any legislative proposals, to the General Assembly by March 1, 1993.

(d) This section shall remain in effect until changed by the General Assembly.

Requested by: Senator Ward, Representatives Fussell, Payne
COMMUNITY COLLEGES/UNC DISADVANTAGED NURSING FUNDS

Sec. 83. The eighty thousand dollars ($80,000) appropriated to the Department of Community Colleges and the twenty thousand dollars ($20,000) appropriated to the Board of Governors of The University of North Carolina for the 1992-93 fiscal year for the purpose of increasing the number of disadvantaged students who successfully complete nursing school shall be used for additional academic support services for these students, including services providing tutors, peer counseling, and testing materials. These funds shall not be used to provide direct financial aid for these students.

Requested by: Senator Ward, Representatives Fussell, Payne
IN-PLANT TRAINING/SHELTERED WORKSHOPS

Sec. 84. (a) In-Plant Training. Effective beginning with the 1992 fall quarter, the State Board of Community Colleges shall ensure that the following requirements are met with respect to in-plant training established pursuant to G.S. 115D-5(d):

(1) The instruction provided shall not duplicate or supplant existing training or training for normal job turnover;

(2) The community college shall not contract with a company to provide in-plant training to its own employees but it may contract with such a company to provide the cost of replacement of an employee who is providing the actual training and is released from regular work responsibilities. Reimbursement may also be provided for appropriate supplies and materials, as determined by the State Board of Community Colleges;
(3) The community college's course outline and a fiscal plan for operating the course shall be approved by the board of trustees. If approval is not given, the course shall be discontinued and no FTE shall be generated for that course;
(4) A reasonable limitation on hours per employee shall be established; and
(5) A community college's FTE earnings shall not exceed a reasonable percentage of the direct cost of the training.

The State Board of Community Colleges shall conduct a comprehensive review of in-plant training to clarify the role of the system as well as the general policies and procedures that have been developed to provide instruction for business and industry. The Board shall report the results of its study, together with any recommendations, including any legislative proposals, to the General Assembly by March 1, 1993.

(b) Sheltered Workshops. Effective beginning with the 1992 fall quarter, the State Board of Community Colleges shall ensure that the following considerations are addressed within the administration of the occupational extension courses offered in sheltered workshop settings and established pursuant to G.S. 115D-5(c):

(1) A reasonable limitation on instructional hours per student shall be established;
(2) An educational and fiscal plan shall be approved by the board of trustees. If approval is not given, the course shall be discontinued and no FTE shall be generated for that course;
(3) There shall be a policy prohibiting the duplication of training and the supplanting of costs; and
(4) A community college's FTE earnings shall not exceed a reasonable percentage of the direct cost of the training.

The State Board of Community Colleges shall conduct a comprehensive review of training provided to sheltered workshops and Adult Developmental Activities Program (ADAP) centers to clarify the role of the system as well as the general policies and procedures that have been developed to provide instruction at these locations. The Board shall report the results of its study, together with any

recommendations, including any legislative proposals, to the General Assembly by March 1, 1993.

(c) Effective July 1, 1993, the funding for community college occupational extension training for sheltered workshops and in-plant training programs shall be limited to direct instructional cost plus fifteen percent (15%) of that amount for administrative costs, unless amended by the 1993 General Assembly after receiving recommendations from the State Board of Community Colleges.

Requested by: Senator Ward, Representatives Fussell, Payne
NEW AND EXPANDING INDUSTRY PROGRAM FUNDS

Sec. 85. Notwithstanding any law to the contrary, the Department of Community Colleges may transfer available and uncommitted funds into the New and Expanded Industry Program, if it determines that there is a need to meet additional training needs over and above those currently budgeted and if the Director of the Budget concurs.

Requested by: Senator Ward, Representatives Payne, Fussell
COMMUNITY COLLEGE TUITION INCREASE

Sec. 86. Section 203 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 203. The State Board of Community Colleges shall adopt tuition rates beginning in the fall quarter of 1991 in the amount of eleven dollars and fifty cents ($11.50) per credit hour up to a cap of 14 credit hours for in-State students and one hundred seven dollars and fifty cents ($107.50) per credit hour with a cap of 14 hours for out-of-State students. The State Board of Community Colleges shall adopt tuition rates beginning in the fall quarter of 1992 in the amount of thirteen dollars and twenty-five cents ($13.25) per credit hour up to a cap of 14 credit hours for in-State students and one hundred seven dollars and fifty cents ($107.50) per credit hour with a cap of 14 hours for out-of-State students.

The State Board of Community Colleges shall adopt tuition rates beginning in the fall quarter of 1991 in the amount of thirty dollars ($30.00) per course for occupational extension courses. The State Board of Community Colleges shall adopt tuition rates beginning in the fall quarter of 1992 in the amount of thirty-five dollars ($35.00) per course for occupational extension courses."

Requested by: Senator Ward, Representatives Fussell, Payne
WORKER TRAINING TRUST FUND

Sec. 87. Section 141 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 141. (a) There is appropriated from the Worker Training Trust Fund to the Employment Security Commission of North Carolina the sum of ~~$5,459,673~~ five million four hundred fifty-nine thousand six hundred seventy-three dollars ($5,459,673) for the 1991-92 fiscal year and the sum of ~~$6,059,673~~ five million eight hundred thirty-nine thousand nine hundred sixty-four dollars ($5,839,964) for the 1992-93 fiscal year for the operation of local offices at the 1986-87 level of service.

(b) Notwithstanding G.S. 96-5(c), there is appropriated from the Special Employment Security Administration Fund to the Employment Security Commission of North Carolina, the sum of ~~$2,000,000~~ two million dollars ($2,000,000) for the 1991-92 fiscal year and the sum of ~~$2,000,000~~ two million dollars ($2,000,000) for the 1992-93 fiscal year for administration of the Veterans Employment Program, Employment Services Program, and Unemployment Insurance Program.

(c) Supplemental federal funds or other additional funds received by the Employment Security Commission for similar purposes shall be expended prior to the expenditure of funds appropriated by this section.

(d) Notwithstanding the provisions of G.S. 96-5(f), there is appropriated from the Worker Training Trust Fund to the following agencies the following sums for the 1991-92 and the 1992-93 fiscal years for the following purposes:

(1) $3,000,000 for the 1991-92 fiscal year and $2,400,000 for the 1992-93 fiscal year to the Department of Economic and Community Development, Division of Employment and Training, for the Employment and Training Grant Program.

(2) $500,000 for the 1991-92 fiscal year and ~~$500,000~~ $1,000,000 for the 1992-93 fiscal year to the North Carolina Department of Labor for customized training of the unemployed and the working poor for specific jobs needed by employers through the Department's Pre-Apprenticeship Division.

(3) $2,000,000 for the 1991-92 fiscal year and ~~$2,000,000~~ $2,489,036 for the 1992-93 fiscal year to the North Carolina Department of Human Resources to assist welfare recipients in gaining employment through the federally funded Job Opportunities and Basic Skills Program in such a way as to gain the maximum match of federal funds for the State dollars ~~appropriated.~~ appropriated, provided that the $489,036 in expansion funds for the 1992-93 fiscal year shall be used for computer equipment for every county

participating in the Job Opportunities and Basic Skills Program.

(4) $1,250,000 for the 1991-92 fiscal year and ~~$1,250,000~~ $1,746,000 for the 1992-93 fiscal year to the North Carolina Department of Community Colleges to continue the Focused Industrial Training ~~Program.~~ Program, provided that the $496,000 in expansion funds for the 1992-93 fiscal year shall be used to increase the annual funding for the 31 existing FIT centers from an average of $74,000 to an average of $90,000.

(5) $150,000 for the 1992-93 fiscal year to the Department of Public Education and $150,000 for the 1992-93 fiscal year to the Department of Community Colleges, for a program of training in entrepreneurial skills to be operated by North Carolina REAL Enterprises.

(6) $225,000 for the 1992-93 fiscal year to the Employment Security Commission for the North Carolina Occupational Information Coordinating Committee to develop and operate an interagency system to track former participants in State education and training programs."

Requested by: Senator Ward, Representatives Payne, Fussell
COMMUNITY COLLEGES/SMALL BUSINESS CENTER FUNDS

Sec. 88. Those community colleges that received State funds for small business centers during the 1991-92 fiscal year shall continue to receive State funds at the same level for their small business centers during the 1992-93 fiscal year.

Requested by: Senators Royall, Ward, Representatives Payne, Fussell
MAINTENANCE OF PLANT ALLOTMENT

Sec. 89. (a) Effective July 1, 1992, community colleges that have previously received "operation of plant" funds pursuant to G.S. 115D-2(4) and that are no longer eligible to receive them may use State funds allotted to them by the operating formula to replace up to seventy percent (70%) of the amount they received for the 1991-92 fiscal year in "operation of plant" State allocation.

(b) Effective July 1, 1993, these colleges may use State funds allotted to them by the operating formula to replace up to thirty-five percent (35%) of the 1991-92 "operation of plant" State allocation.

(c) Effective July 1, 1994, only those colleges that meet the criteria for "operation of plant" funds may use State money for that purpose.

PART 16. COLLEGES AND UNIVERSITIES

Requested by: Senators Warren, Ward, Representatives Payne, Fussell

USE OF ECU SPECIAL RECEIPT FUNDS

Sec. 90. (a) Section 92(a) of Chapter 752 of the 1989 Session Laws, as amended by Section 86 of Chapter 1066 of the 1989 Session Laws, Regular Session 1990, reads as rewritten:

"(a) Effective ~~July 1, 1989~~ July 1, 1991, funds appropriated to the Board of Governors of The University of North Carolina for the East Carolina University School of Medicine ~~for~~ from reimbursements from the Medicare ~~education~~ Education Program shall be allocated as follows:

(1) That portion of the Medicare reimbursement that can be identified as having been generated through the effort and at the expense of the ~~School's~~ ECU School of Medicine's Medical Faculty Practice Plan shall be transferred to the appropriate Medical Faculty Practice Plan account within the ~~School;~~ ECU School of Medicine; and

(2) The remainder of the funds received before June 26, 1992, shall be transferred to a special nonreverting account within the ~~School.~~ ECU School of Medicine.

Funds deposited in the account pursuant to subdivision (2) of this ~~section~~ subsection shall be spent for nonrecurring items of equipment and facilities that are required to maintain the ECU School of Medicine's teaching facilities within Pitt County Memorial Hospital and the Brody Medical Sciences Building.

The total amount allocated pursuant to subdivisions (1) and (2) of this subsection shall not exceed two million four hundred thousand dollars ($2,400,000)."

(b) The Joint Legislative Commission on Governmental Operations shall study the issue of the disposition of receipts at the East Carolina University School of Medicine, including the following:

(1) Receipts generated from the reimbursements from the Medicare Education Program;

(2) Revenue received from patients or health insurance companies for the facility costs portion of treatment received in the Radiation Therapy Facility; and

(3) Funds received by the East Carolina School of Medicine from Pitt County Memorial Hospital for the lease of the Magnetic Resonance Imaging (MRI) building and equipment.

The Commission shall make a recommendation to the General Assembly by March 1, 1993, on the use of these funds.

Requested by: Senators Lee, Ward, Representatives Payne, Fussell
FAYETTEVILLE STATE/UNC-CH MATH - SCIENCE NETWORK FUNDS

Sec. 91. (a) Of the funds available to The Board of Governors of The University of North Carolina for the 1992-93 fiscal year, the sum of two hundred eighty thousand dollars ($280,000) shall be used to provide funding for the Mathematics and Science Education Network Program at Fayetteville State University and the University of North Carolina at Chapel Hill. These funds shall be allocated as follows:

(1) $130,000 to Fayetteville State University; and

(2) $150,000 to the University of North Carolina at Chapel Hill.

(b) The Board of Governors shall request funds for this item in its continuation budget presented to the 1993 General Assembly for the 1993-95 fiscal biennium.

Requested by: Senator Ward, Representatives Payne, Fussell
UNIVERSITY OF NORTH CAROLINA GRADUATION RATES

Sec. 92. The Board of Governors of The University of North Carolina shall adopt policies that will encourage the constituent institutions to have their students complete their degrees more quickly. A plan for implementation of these policies, including means of measuring its success and progress, shall be presented to the 1993 General Assembly by February 1, 1993.

Requested by: Senators Sherron, Ward, Representatives Payne, Fussell
NONWOVENS COOPERATIVE RESEARCH CENTER MATCHING FUNDS

Sec. 93. There is appropriated from the overhead receipts at North Carolina State University at Raleigh the sum of two hundred fifty thousand dollars ($250,000) for the 1992-93 fiscal year to North Carolina State University at Raleigh, for the purpose of providing State matching funds for the Nonwovens Cooperative Research Center.

PART 17. DEPARTMENT OF TRANSPORTATION

Requested by: Senator Goldston, Representative McLaughlin
DEPARTMENT OF TRANSPORTATION EXEMPTION FROM GENERAL STATUTES FOR EXPERIMENTAL PROJECT--CONGESTION MANAGEMENT

Sec. 94. The Department of Transportation may enter into a design-build-warrant contract to develop, with Federal Highway Administration participation under The 1991 Intermodal Surface

Transportation Efficiency Act, Title VI, Part B, Sections 6051-6059, a "Congestion Avoidance and Reduction for Autos and Trucks (CARAT)" system of traffic management for the greater Charlotte-Mecklenburg urban areas. Notwithstanding any other provision of law, contractors, contractor's employees, and Department of Transportation employees involved in this project only do not have to be licensed by occupational licensing boards as "license" and "occupational licensing board" are defined in G.S. 93B-1 and for the purpose of entering into contracts, the Department of Transportation is exempted from the provisions of the following General Statutes: G.S. 136-28.1, 143-52, 143-53, 143-58, 143-128, and 143-129. These statutory exemptions are limited and available only to the extent necessary to comply with federal rules, regulations, and policies for completion of this project.

The Department of Transportation shall report quarterly to the Joint Legislative Highway Oversight Committee on its efforts to enter into a design-build-warrant contract and to award and construct the project. The report shall include but not be limited to the number of types of firms bidding on the project, special qualifications of the firms bidding, and the effect statutory exemptions might have had on the award and construction of the project and the receipt of federal discretionary funding for the project.

Requested by: Senator Goldston, Representatives McLaughlin, Holt

HIGHWAY MAINTENANCE RESERVE

Sec. 95. Section 66.7 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 66.7. Any unreserved credit balance in the Highway Fund on June 30 of each of the fiscal years of this biennium shall support appropriations in the succeeding fiscal year. If all of the balance is not needed for these appropriations, the Director of the Budget may use the remaining excess to establish a reserve for access and public roads, a reserve for unforeseen happening of a state of affairs requiring prompt action as provided by G.S. 136-44.1, and other required reserves. Actual revenue in excess of estimated revenue shall be placed in the reserve for highway maintenance. ~~If all of the remaining excess is not used to establish these reserves, the remainder shall be allocated to the State-funded maintenance appropriations in the manner approved by the Board of Transportation.~~ The Board of Transportation shall report monthly to the Joint Legislative Highway Oversight Committee and the Fiscal Research Division about the use of the reserve for highway maintenance."

Requested by: Senator Goldston, Representatives McLaughlin, Holt
DIVISION OF MOTOR VEHICLES DRIVERS LICENSE COMPUTER

Sec. 96. The Division of Motor Vehicles shall procure information technology and data communications equipment for the drivers license computer system only after fair and competitive bidding and without any waiver from competitive bidding. Any request for bids, request for proposals, or request for quotes issued concerning the procurement of information systems hardware and software, document imaging systems, or data communications hardware related to any aspect of the drivers license computer system shall contain only specifications based on industry standards for open systems to the greatest extent possible. To the degree that open systems specifications are not used in a procurement related to any aspect of a drivers license computer system, the Division of Motor Vehicles shall provide documentation to the Information Resource Management Commission and to the Joint Legislative Commission on Governmental Operations explaining why the competitive bid specifications could not conform to industry standards for open systems.

Requested by: Senator Goldston, Representatives McLaughlin, Hasty
CONTRACT RESURFACING REPORTING REQUIREMENT

Sec. 97. The Department of Transportation shall report, quarterly, to the Joint Legislative Highway Oversight Committee concerning any transfers of funds from the Contract Resurfacing Program during the preceding quarter. The Department shall report, annually, to the Joint Legislative Highway Oversight Committee on any additional life-cycle costs for delayed projects that may accrue as a result of these transfers, with the first report to be filed March 1, 1993.

Requested by: Senator Goldston, Representatives McLaughlin, Holt
DEPARTMENT OF TRANSPORTATION HIGHWAY CONSTRUCTION SAFETY PROGRAM

Sec. 98. Notwithstanding the provisions of G.S. 143-16.3, and from funds appropriated to the Department of Transportation, the Secretary of Transportation may continue the Department's emphasis on safety to reduce accidents and injuries in highway construction activities. The Secretary may establish not more than 15 positions to implement the Department's safety program within funds available in budget codes 84210, 84220, and 84230.

Requested by: Senator Goldston, Representatives R. Hunter, McLaughlin, Holt

SECONDARY ROADS. ANNUAL WORK PROGRAM PRIORITY LISTS

Sec. 99. G.S. 136-44.7(b) reads as rewritten:

"(b) When a secondary road in a county is listed in the first 10 secondary roads to be paved during a year on a priority list issued by the Department of Transportation under this section, the secondary road cannot be removed from the top 10 of that list or any subsequent list until it is paved. All secondary roads in a county shall be paved, insofar as possible, in the priority order of the list. When a secondary road in the top 10 of that list is removed from the list because it has been paved, the next secondary road on the priority list shall be moved up to the top 10 of that list and shall remain there until it is paved."

Requested by: Senator Goldston, Representatives Albertson, McLaughlin, Holt

DEPARTMENT OF TRANSPORTATION PERMANENT HOURLY WORKERS/OFFICE OF STATE PERSONNEL STUDY

Sec. 100. The Office of State Personnel shall study the use of permanent hourly workers by the Department of Transportation.

The study shall include consideration of:

(1) The Department of Transportation's use of these positions in the maintenance workforce;

(2) The use of these positions on a year-round basis and for extended periods; and

(3) The voluntary conversion of permanent employees to permanent hourly workers to increase the employee's take-home pay by eliminating the contribution to the retirement system.

The Office of State Personnel shall report the results of this study to the Permanent Subcommittee on Transportation of the House Committee on Appropriations and the Joint Highway Oversight Committee by February 1, 1993.

Requested by: Senator Goldston, Representatives McLaughlin, Holt

REALLOCATION OF DIVISION OF MOTOR VEHICLES WAREHOUSE-OFFICE BUILDING FUNDS

Sec. 101. Funds appropriated in Section 6 of Chapter 754 of the 1989 Session Laws for the construction of a warehouse-office building in Raleigh for the Division of Motor Vehicles are reallocated to the Division of Motor Vehicles for the construction or purchase of the land and warehouse-office building, including appraisal and other costs incidental to the purchase.

Requested by: Senator Goldston, Representatives McLaughlin, Holt
TRANSFER OF FUNDS FROM THE EQUIPMENT FUND

Sec. 102. Section 66 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 66. The Department of Transportation's Equipment Fund shall pay to the Highway Fund $5,000,000 for the 1991-92 fiscal year and $5,000,000 for the 1992-93 fiscal year. These funds shall be used for highway maintenance. The Department of Transportation's Equipment Fund shall pay to the Highway Fund an additional $8,899,254 for the 1992-93 fiscal year for use in the expansion budget."

Requested by: Senators Basnight, Goldston, Representatives McLaughlin, Holt
SMALL URBAN CONSTRUCTION FUNDS

Sec. 103. Section 66.6 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 66.6. Of the funds appropriated in this Title to the Department of Transportation, ~~$10,805,664~~ ten million eight hundred five thousand six hundred sixty-four dollars ($10,805,664) shall be allocated in the 1991-92 fiscal year and ~~$10,028,266~~ nine million twenty-eight thousand two hundred sixty-six dollars ($9,028,266) in the 1992-93 fiscal year for small urban construction projects. ~~$7,000,000~~ Seven million dollars ($7,000,000) of these funds shall be allocated equally in ~~each~~ fiscal year 1991-92 ~~of the biennium~~ and six million dollars ($6,000,000) in fiscal year 1992-93 among the 14 Highway Divisions for the small Urban Construction program for small urban construction projects that are located within the area covered by a one-mile radius of the municipal corporate limits. Of the remaining funds, ~~$3,805,664~~ three million eight hundred five thousand six hundred sixty-four dollars ($3,805,664) for the 1991-92 fiscal year and ~~$3,028,266~~ three million twenty-eight thousand two hundred sixty-six dollars ($3,028,266) for the 1992-93 fiscal year shall be used statewide for rural or small urban highway improvements as approved by the Secretary of the Department of Transportation.

None of these funds used for rural secondary road construction are subject to the county allocation formula as provided in G.S. 136-44.5.

No more than fifty percent (50%) of the funds available for the 1992-93 fiscal year to each Highway Division under this section and for the projects approved by the Secretary of Transportation under this section may be expended, encumbered, or allocated prior to January 31, 1993.

The Department of Transportation shall report to the members of the General Assembly on projects funded pursuant to this section in each member's district prior to the Board of Transportation's action. The Department shall make a quarterly comprehensive report on the use of these funds to the Joint Legislative Highway Oversight Committee and the Fiscal Research Division."

Requested by: Senator Goldston, Representatives Colton, McLaughlin, Holt
DEPARTMENT OF TRANSPORTATION TO REPORT ON EFFORTS TO EDUCATE ON TRANSPORTATION PLANNING ROLES

Sec. 104. The Department of Transportation shall report on its efforts to educate Transportation Advisory Committees, local governments, and the public about their roles in transportation planning under the Intermodal Surface Transportation Efficiency Act of 1991 to the Chairmen of the Senate Committee on Transportation and the House Committee on Transportation by February 1, 1993.

Requested by: Senator Goldston, Representatives Colton, McLaughlin, Holt
DEPARTMENT OF TRANSPORTATION TO DEVELOP COMPREHENSIVE PLAN ON MAINTAINING AND UPGRADING BRIDGES

Sec. 105. The Department of Transportation shall develop and recommend a comprehensive plan to maintain and upgrade substandard bridges in North Carolina and shall report to the Chairmen of the Senate Committee on Transportation and the House Committee on Transportation by February 1, 1993.

Requested by: Senator Goldston, Representative Chapin
HIGHWAY 264 REST AREA

Sec. 106. By December 1, 1992, the Department of Transportation shall let a contract for work to begin on the rest area on U.S. Highway 264 in Beaufort County for which funds were appropriated by Section 6(15) of Chapter 754 of the 1989 Session Laws. The Department shall complete the rest area by June 1, 1993. If the Department of Transportation has not let a contract for work to begin on the rest area by December 1, 1992, the following applies:

(1) The sum of three hundred thirty-five thousand one hundred dollars ($335,100) is appropriated from the Highway Fund to the Department of Administration for the Department of Administration to construct a rest area at U.S. Highway 264

in Beaufort County. The Department of Administration shall complete the rest area by September 1, 1993.

(2) Section 6(15) of Chapter 754 of the 1989 Session Laws is repealed.

Requested by: Senators Perdue, Goldston, Representatives McLaughlin, Holt

MOREHEAD CITY REST AREA/VISITOR INFORMATION FUNDS

Sec. 107. (a) Of the funds appropriated to the Department of Transportation in Section 4 of Chapter 689 of the 1991 Session Laws and in this act, the sum of one million dollars ($1,000,000) for the 1992-93 fiscal year shall be used to construct a rest area/visitors information center on U.S. 70 near Morehead City.

No State highway funds shall be used to staff or operate the rest area/visitors information center.

(b) The Department of Transportation shall prepare standard plans for Visitor Information Center buildings for use throughout the State. Those plans shall be used in the construction of all Visitor Information Centers, not heretofore included in any Transportation Improvement Plans, with only minimal modifications, not to exceed ten percent (10%) of the construction cost, permitted to meet unique environmental factors of the particular site.

Requested by: Senators Barnes, Goldston, Representatives McLaughlin, Holt

AIR CARGO AMENDMENTS

Sec. 108. (a) G.S. 63A-2(8) reads as rewritten:

"(8) Cargo airport complex site. -- The area designated by the Authority as the location of a cargo airport complex. An area may not be so designated by the Authority unless all or a substantial portion of the land on which the cargo airport is located or is to be located is or shall be owned by the Authority or is or shall be controlled by the Authority pursuant to lease, joint operating agreement, or other contractual arrangements."

(b) G.S. 63A-3(b) reads as rewritten:

"(b) Board of Directors. The Authority shall be governed by a Board of Directors. The Board shall consist of at least the following ~~14~~ 19 members:

(1) Seven members appointed by the Governor.

(2) Three members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

(3) Three members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.

(4) The State Treasurer, who shall serve as an ex officio non-voting member.

(5) The President of the North Carolina System of Community Colleges, provided that the President of the North Carolina Community Colleges may instead appoint to the Board of Directors one member of the board of trustees of a community college or one president of a community college. If such an appointment is made, the appointee shall serve at the pleasure of the President.

(6) The President of The University of North Carolina, provided that the President of the University of North Carolina may instead appoint to the Board of Directors one member of the board of trustees of a constituent institution of The University of North Carolina, or one chancellor of a constituent institution of The University of North Carolina. If such an appointment is made, the appointee shall serve at the pleasure of the President.

(7) The Chairman of the State Ports Authority.

(8) One member appointed by the board of county commissioners of any county in which the cargo airport complex site is located.

(9) One member appointed by the city council of the city which is a county seat of any county in which the cargo airport complex site is located.

~~The Board may consist of more than 14 members if more members are appointed by boards of county commissioners in accordance with this subsection.~~ Within 90 days after the Authority acquires land, either by purchase or condemnation, for development as part of a cargo airport complex site, the board of county commissioners in any county in which a portion of the land is located and the city council of the city which is the county seat of the county ~~may~~ shall, by resolution, each appoint a person to serve as a member of the Board. If the board of commissioners or the city council appoints one of its own members to the Board, the county commissioner or the member of the city council who is appointed is considered to be serving on the Board as an ex officio voting member as part of the duties of the office of county commissioner or the office of city council member, in accordance with G.S. 128-1.2, and is not considered to be serving in a separate office. Notwithstanding G.S. 116-31(h), a member of the board of trustees of a constituent institution of The University of North Carolina appointed to the Board of Directors under subdivision

(6) of this subsection may concurrently serve on the board of trustees and the Board of Directors. Notwithstanding any other provision of law, the Governor may serve on the Board of Directors by his own appointment on or after July 16, 1991, under subdivision (1) of this subsection.

As the holder of an office, each member of the Board shall take the oath required by Article VI, § 7 of the North Carolina Constitution before assuming the duties of a Board member."

(c) G.S. 63A-3(c) reads as rewritten:

"(c) Selection Criteria. ~~Of the members appointed by the Governor, at least two shall be residents of the western region of the State, at least two shall be residents of the piedmont region of the State, and at least two shall be residents of the eastern region of the State.~~ In making appointments to the Board, the Governor and the General Assembly shall give consideration to the geographical representation of the Western region, the Piedmont region, and the Eastern region of the State. In addition, at least one member appointed by the Governor shall be representative of business, at least one shall be representative of agribusiness, at least one shall be representative of environmental interests, and at least one shall be representative of industrial interests.

~~Of the members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, one shall be a resident of the western region of the State, one shall be a resident of the piedmont region of the State, and one shall be a resident of the eastern region of the State. Of the members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, one shall be a resident of the western region of the State, one shall be a resident of the piedmont region of the State, and one shall be a resident of the eastern region of the State.~~"

(d) G.S. 63A-3(d) reads as rewritten:

"(d) Terms. ~~Except for the terms of the initial Board members, Board members shall serve two-year terms that begin on July 1.~~ The terms of the initial members appointed by the Governor or the General Assembly end June 30, 1993. The initial term of a member appointed by a board of county commissioners or by a city council ends on the second June 30 after the appointment. Subsequent appointments by a board of county commissioners or by a city council shall be for terms of four years. The seven members appointed by the Governor for subsequent terms shall be appointed for terms of two years ending on June 30 of each odd-numbered year. The six members appointed by the General Assembly for subsequent terms shall be divided into two classes. The first class shall consist of three persons, two of whom

shall be appointed upon recommendation of the Speaker of the House of Representatives and one of whom shall be appointed upon recommendation of the President Pro Tempore of the Senate, to serve an initial term expiring June 30, 1995, with subsequent terms expiring each fourth June 30th thereafter. The second class shall consist of three persons, two of whom shall be appointed upon recommendation of the President Pro Tempore of the Senate and one of whom shall be appointed upon recommendation of the Speaker of the House of Representatives, to serve an initial term expiring June 30, 1997, with subsequent terms expiring each fourth June 30th thereafter."

(e) G.S. 63A-3(h) reads as rewritten:

"(h) Organization of the Board. The Board shall adopt bylaws with respect to the calling of meetings, quorums, voting procedures, the keeping of records, and other organizational and administrative matters as the Board may determine. A quorum shall consist of ~~at least eight~~ a majority of the members of the Board. No vacancy in the membership of the Board shall impair the right of a quorum to exercise all rights and to perform all the duties of the Board and the Authority."

(f) G.S. 63A-6(a) reads as rewritten:

"(a) General. The Authority may acquire real property by purchase, negotiation, gift, devise, or eminent domain. Any acquisition ~~or disposition~~ by eminent domain by the Authority of real property or an estate or interest in real property must be reviewed and approved by the Council of State before it can become effective. When the Authority acquires real property owned by the State, the Secretary of the Department of Administration shall execute and deliver to the Authority a deed transferring fee simple title to the property to the Authority."

(g) G.S. 63A-6(b) reads as rewritten:

"(b) Eminent Domain. To exercise the power of eminent domain, the Authority shall commence a proceeding in its name and may follow any procedure set by law by which a State agency or a political subdivision of the State may exercise the power of eminent domain. ~~As with other acquisitions, however, the~~ The Authority's exercise of the power of eminent domain is subject to review and approval by the Council of State.

The Authority's power of eminent domain applies to all property, including property that is owned by a State agency or a political subdivision of the State and is already devoted to a specific use other than as an airport established under Chapter 63 of the General Statutes. The Authority may acquire by eminent domain property that is owned by a political subdivision and is used as an airport established under Chapter 63 of the General Statutes only after

obtaining the approval of the governing body of each political subdivision that established the airport. The Authority may not begin an eminent domain proceeding before it obtains the Council of State's approval for the acquisition of the property to be condemned."

(h) G.S. 63A-18(a) and (b) read as rewritten:

"(a) The Authority has exclusive zoning jurisdiction within a cargo airport complex site. The Authority has zoning jurisdiction within ~~four~~ six miles of the boundaries of a cargo airport complex site. ~~The Authority has zoning jurisdiction sufficient to restrict the height of any structure to be erected, and the height to which any tree may grow, within six miles of the boundaries of a cargo airport complex site.~~

(b) No State agency and, in accordance with G.S. 63-31, no political subdivision may adopt, without obtaining the approval of the Authority, ~~either of the following~~ an airport zoning provision or other land use regulation that affects real property within six miles of any cargo airport complex site if it conflicts with a zoning provision or land use restriction adopted by the ~~Authority:~~ Authority.

~~(1) An airport zoning provision or other land use regulation that affects real property within four miles of any cargo airport complex site.~~

~~(2) An airport zoning provision or other land use regulation that affects the height of any structure or tree within six miles of a cargo airport complex site.~~

A zoning provision or land use restriction adopted in violation of this subsection is not effective."

(i) This section becomes effective July 15, 1992.

Requested by: Senators Basnight, Plyler, Representative H. Hunter

GREENE COUNTY WATER AND SEWER CONNECTION FUNDS REAPPROPRIATED/GATES COUNTY SCHOOL FUNDS

Sec. 109. (a) The four hundred thousand dollars ($400,000) appropriated for the 1991-92 fiscal year from the Highway Fund to the Department of Transportation in item 09. of the schedule of projects in Section 236.1 of Chapter 689 of the 1991 Session Laws is reappropriated to the Office of State Budget and Management for construction of the Greene County water and sewer connections to service the Maury Prison Unit.

(b) The Director of the Budget shall make available to the Gates County Board of Education for the 1992-93 fiscal year the sum of forty-seven thousand dollars ($47,000) from funds available in the Reserve for Repairs and Renovations. These funds shall be used along with funds made available to the Gates County Board of Education in Section 32 of Chapter 799 of the 1989 Session Laws to bring the Gates County High School's and Gates County Junior High School's

wastewater systems into compliance with State and federal wastewater regulations.

(c) Section 120 of Chapter 1066 of the 1989 Session Laws reads as rewritten:

"Sec. 120. The Department of Correction shall permit the Gates County Board of Education to tie the wastewater treatment systems of the Gates County Junior High School and the Gates County High School ~~may be tied~~ into the wastewater treatment system of the Gates County Correctional Center."

(d) The Gates County Board of Education shall use funds made available to it under Section 32 of Chapter 799 of the 1989 Session Laws and under subsection (b) of this section to pay the Department of Correction the actual cost of enlarging the correctional center's spray field to accommodate the schools' needs. The Department of Correction shall not charge the Gates County Board of Education any additional amounts for the construction, operation, or maintenance of the wastewater treatment system of the Gates County Correctional Center.

(e) All of the funds made available to the Gates County Board of Education under Section 32 of Chapter 799 of the 1989 Session Laws and under subsection (b) of this section that are not needed to bring the Gates County High School's and Gates County Junior High School's wastewater systems into compliance with State and federal wastewater regulations shall be deposited in the Reserve for Repairs and Renovations upon completion of the project.

Requested by: Senator Goldston, Representatives McLaughlin, Holt

AIR CARGO AIRPORT AUTHORITY MARKETING FUNDS TRANSFER

Sec. 110. Of the funds appropriated in this act for the North Carolina Air Cargo Airport Authority, the sum of five hundred thousand dollars ($500,000) shall be transferred by July 15, 1992, to the Department of Economic and Community Development for marketing of the Global Transpark including two positions, operating support, and advertising funds.

PART 18. DEPARTMENT OF CORRECTION

Requested by: Senators Marvin, Parnell, Representative Barnes

PRIVATE CONFINEMENT FACILITIES

Sec. 111. Section 67 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 67. No for-profit, privately owned or operated confinement facilities may be added to the State prison system unless approved by

the General Assembly. Notwithstanding the provisions of this section or any other provision of law, the Secretary of Correction may issue a Request for Proposal or employ another appropriate bidding process or procedure to determine contract terms or conditions under which private for-profit or nonprofit firms would offer to provide and operate treatment centers totaling 500 beds for prisoners committed to the custody of the Department of Correction who are diagnosed as needing treatment for alcohol or drug abuse. The State may contract with private, nonprofit firms to provide or operate work and study release centers for women and for youth.

Solicitation of bids does not obligate the State to enter into contracts with private for-profit or nonprofit firms to provide and operate treatment centers for which bids are solicited.

The Secretary of Correction must report the results of the bidding procedure to the Governor, the Joint Legislative Committee on Governmental Operations, the Chairmen of the Senate and House Appropriations Committees, and the Fiscal Research Division by December 31, 1992."

Requested by: Senator Marvin, Representatives Redwine, Anderson
LIMIT USE OF OPERATIONAL FUNDS

Sec. 112. Funds appropriated in this act to the Department of Correction for operational costs for additional facilities shall be used for personnel and operating expenses set forth in the budget approved by the General Assembly in this act. These funds may not be expended for any other purpose, and may not be expended for additional prison personnel positions until the new facilities are within 90 days of completion, except for certain management and support positions necessary to prepare the facility for opening, as authorized in the budget approved by the General Assembly.

PART 19. JUDICIAL DEPARTMENT

Requested by: Senators Marvin, Parnell, Representatives Redwine, Anderson
CURRENT OPERATING EXPENSES

Sec. 113. From the funds appropriated to the Judicial Department in the certified budget for the 1992-93 fiscal year, the Administrative Office of the Courts may transfer within its budget up to two million five hundred thousand dollars ($2,500,000) to meet additional operating expenses for supplies and materials, current obligations, fixed charges and other expenses, equipment, books, and indigent persons' attorneys' fees, and to match any grants awarded to the Judicial Department from non-State funds. The Administrative

Office of the Courts shall make quarterly reports on transfers made pursuant to this section to the Joint Legislative Commission on Governmental Operations and to the Chairmen of the Senate and House Appropriations Committees on Justice and Public Safety.

Requested by: Senators Marvin, Parnell, Representatives Redwine, Anderson

CONTINUED PHASING IN OF NONBINDING ARBITRATION AND OF CUSTODY AND VISITATION MEDIATION

Sec. 114. From funds appropriated to the Judicial Department in the certified budget for the 1992-93 fiscal year, the Administrative Office of the Courts may transfer within its budget up to seventy-five thousand dollars ($75,000) to implement nonbinding arbitration procedures in additional counties and judicial districts pursuant to G.S. 7A-37.1 and to establish local custody mediation and visitation programs in additional counties pursuant to G.S. 7A-494.

Requested by: Senators Marvin, Parnell, Representatives Redwine, Anderson

CONTINUE EXISTING JUVENILE SERVICES TRANSPORTATION PILOT PROGRAM

Sec. 115. From funds appropriated to the Judicial Department in the certified budget for the 1992-93 fiscal year, the Administrative Office of the Courts may transfer funds within its budget to continue the Juvenile Services Division Transportation Pilot Project in District Court Districts 6A, 10, 11, and 24 at its 1991-92 funding level.

Requested by: Senators Marvin, Parnell, Representatives Redwine, Anderson

INTERIM FEES FOR ASSIGNED COUNSEL IN EXTRAORDINARY CASES

Sec. 116. (a) G.S. 7A-455(b) reads as rewritten:

"(b) In all cases the court shall fix the money value of services rendered by assigned counsel, the public defender, or the appellate defender, and such sum plus any sums allowed by the court for other necessary expenses of representing the indigent person, including any fees and expenses that may have been allowed prior to final determination of the action to assigned counsel pursuant to G.S. 7A-458, shall be entered as a judgment in the office of the clerk of superior court, and shall constitute a lien as prescribed by the general law of the State applicable to judgments. Any reimbursement to the State as provided in subsection (a) of this section or any funds collected by reason of such judgment shall be deposited in the State treasury and credited against the judgment; provided, that counsel fees

ordered paid to the clerk on behalf of the appointed counsel pursuant to G.S. 15A-1343(e) may be paid directly to the counsel. In fixing the money value of services rendered by the public defender and the appellate defender, the court shall consider the factors normally involved in fixing the fees of private attorneys, such as the nature of the case, the time, effort, and responsibility involved, and the fee usually charged in similar cases. The value of the services shall be fixed by a district court judge for actions or proceedings finally determined in the district court and by a superior court judge for actions or proceedings originating in, heard on appeal in, or appealed from the superior court. Even if the trial, appeal, hearing, or other proceeding is never held, preparation therefor is nevertheless compensable."

(b) G.S. 7A-458 reads as rewritten:

"§ *7A-458. Counsel fees.*

In districts which do not have a public defender, the court shall fix the fee to which an attorney who represents an indigent person is entitled. In doing so, the court shall allow a fee based on the factors normally considered in fixing attorneys' fees, such as the nature of the case, and the time, effort and responsibility involved. Fees shall be fixed by the district court judge who hears the case for actions or proceedings finally determined in the district court and by the superior court judge who hears the case for actions or proceedings originating in, heard on appeal in, or appealed from the superior court. Even if the trial, appeal, hearing or other proceeding is never held, preparation therefor is nevertheless ~~compensable.~~ compensable and, in capital cases and other extraordinary cases pending in superior court, the presiding judge may allow a fee for services rendered and payment for expenses incurred pending final determination of the case."

Requested by: Senators Marvin, Parnell, Representatives Redwine, Anderson

COMMUNITY PENALTIES PROGRAMS

Sec. 117. Section 84.1 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 84.1. (a) Of the funds appropriated ~~in this act~~ to the Judicial Department to conduct the community penalty programs, the sum of ~~$1,518,912~~ one million five hundred eighteen thousand nine hundred twelve dollars ($1,518,912) shall be allocated in the 1991-92 fiscal year among the community penalties programs listed below as follows:

One Step Further, Inc.	$139,664
Services to Nash County Community Penalties Program	44,000

Services to Rockingham/Caswell	40,900
Fayetteville Area Sentencing Center, Inc.	131,878
Re-Entry, Inc.	93,500
Repay, Inc.	100,045
Community Corrections Resources, Inc.	104,379
Western Carolinians for Criminal Justice, Inc.	100,300
Prison & Jail Project, Inc.	100,300
Community Penalties Program, Inc.	68,213
Jacksonville Community Penalties, Inc.	89,250
Services to Sampson, Duplin, and Jones Counties	55,000
Gaston Community Penalties, Inc.	53,661
Services to Cleveland and Lincoln Counties	38,000
Dispute Settlement Center, Inc.	53,661
Appropriate Punishment Option, Inc.	53,661
Mecklenburg Community Corrections	93,500
Neuse River Council of Governments DBA Neuse River Community	

Penalties Program	55,000
Tuscarora Tribe of North Carolina	52,000
Citizens for Community Justice	52,000.

(b) Funds allocated in subsection (a) and not used by the community penalties programs listed above may be used by the Judicial Department to establish new community penalties programs.

(b1) Of the funds appropriated for the 1992-93 fiscal year to the Judicial Department to conduct the community penalties programs, the sum of one million five hundred eighteen thousand nine hundred twelve dollars ($1,518,912) may be allocated by the Judicial Department in the 1992-93 fiscal year in any amount among existing community penalties programs or may be used to establish new community penalties programs. In addition, from any other funds appropriated to the Judicial Department in the certified budget for the 1992-93 fiscal year, the Administrative Office of the Courts may transfer funds to the community penalties programs for similar allocation or use.

(c) The Judicial Department shall report annually to the Senate and House Appropriations Base Budget Committees on Justice and Public Safety and to the Fiscal Research Division on the administrative expenditures of the community penalties programs."

Requested by: Senators Marvin, Parnell, Representatives Redwine, Anderson

MAKE JURISDICTION OF MAGISTRATE AND CLERK CONSISTENT WITH THAT OF JUDGES TO PROMULGATE WAIVER LISTS

Sec. 118. (a) G.S. 7A-148(a) reads as rewritten:

"(a) The chief district judges of the various district court districts shall meet at least once a year upon call of the Chief Justice of the Supreme Court to discuss mutual problems affecting the courts and the improvement of court operations, to prepare and adopt ~~a uniform schedule of traffic offenses, littering under G.S. 14-399(c), hunting and fishing offenses under Chapter 113, State park and recreation area rule offenses under Chapter 113, boating offenses under Chapter 75A, and alcohol offenses under Chapter 18B~~ uniform schedules of offenses for the types of offenses specified in G.S. 7A-273(2) for which magistrates and clerks of court may accept written appearances, waivers of trial or hearing and pleas of guilty or admissions of responsibility, and establish a schedule of penalties or fines therefor,

and to take such further action as may be found practicable and desirable to promote the uniform administration of justice."

(b) G.S. 7A-146(8) is repealed.

(c) G.S. 7A-180 reads as rewritten:

"*§ 7A-180. Functions of clerk of superior court in district court matters.*

The clerk of superior court:

(1) Has and exercises all of the judicial powers and duties in respect of actions and proceedings pending from time to time in the district court of his county which are now or hereafter conferred or imposed upon him by law in respect of actions and proceedings pending in the superior court of his county;

(2) Performs all of the clerical, administrative and fiscal functions required in the operation of the district court of his county in the same manner as he is required to perform such functions in the operation of the superior court of his county;

(3) Maintains, under the supervision of the Administrative Office of the Courts, an office of uniform consolidated records of all judicial proceedings in the superior court division and the district court division of the General Court of Justice in his county. Those records shall include civil actions, special proceedings, estates, criminal actions, juvenile actions, minutes of the court and all other records required by law to be maintained. The form and procedure for filing, docketing, indexing, and recording shall be as prescribed by the Administrative Officer of the Courts notwithstanding any contrary statutory provision as to the title and form of the record or as a method of indexing;

(4) Has the power to accept written appearances, waivers of trial or hearing and pleas of guilty or admissions of responsibility ~~to certain alcohol, traffic, hunting, fishing, and boating offenses~~ for the types of offenses specified in G.S. 7A-273(2) in accordance with ~~a schedule~~ the schedules of offenses promulgated by the Conference of Chief District Judges pursuant to G.S. 7A-148, and in such cases, to enter judgment and collect the fine or penalty and costs;

(5) Has the power to issue warrants of arrest valid throughout the State, and search warrants valid throughout the county of the issuing clerk;

(6) Has the power to conduct an initial appearance in accordance with Chapter 15A, Article 24, Initial Appearance, and to fix conditions of release in accordance with Chapter 15A, Article 26, Bail; ~~and~~

(7) Continues to exercise all powers, duties and authority theretofore vested in or imposed upon clerks of superior court by general law, with the exception of jurisdiction in juvenile matters; and

(8) Has the power to accept written appearances, waivers of trial and pleas of guilty to violations of G.S. 14-107 when restitution is made, the amount of the check is two thousand dollars ($2,000) or less, and the warrant does not charge a fourth or subsequent violation of this statute, and, in such cases, to enter such judgments as the chief district judge shall direct and, forward the amounts collected as restitution to the appropriate prosecuting witnesses and to collect the costs.

~~(9) Has the power to accept written appearances, waivers of trial and pleas of guilty to violations of G.S. 14-399(c), and, in such cases, to enter judgments as the chief district court judge shall direct. No violation of G.S. 14-399 may be disposed of pursuant to this subdivision unless the criminal pleading specifically charges a violation of subsection (c) of G.S. 14-399.~~"

(d) G.S. 7A-273 reads as rewritten:

"§ *7A-273. Powers of magistrates in infractions or criminal actions.*

In criminal actions or infractions, any magistrate has power:

(1) In misdemeanor or infraction cases, other than ~~traffic, hunting, fishing, boating, and alcohol offenses,~~ the types of offenses specified in subdivision (2) of this section, in which the maximum punishment which can be adjudged cannot exceed imprisonment for 30 days, or a fine of fifty dollars ($50.00) or a penalty of not more than fifty dollars ($50.00), exclusive of costs, to accept guilty pleas or admissions of responsibility and enter judgment;

(2) In misdemeanor or infraction cases involving ~~alcohol,~~ alcohol offenses under Chapter 18B of the General Statutes, ~~traffic,~~ traffic offenses, hunting, fishing, ~~and~~ State park and recreation area rule offenses under Chapter 113 of the General Statutes, boating ~~offenses,~~ offenses under Chapter 75A of the General Statutes, and littering offenses under G.S. 14-399(c), to accept written appearances, waivers of trial or hearing and pleas of guilty or admissions of responsibility, in accordance with the schedule of offenses and fines or penalties promulgated by the Conference of Chief District Judges pursuant to G.S. 7A-148, and in such cases, to enter judgment and collect the fines or penalties and costs;

(3) To issue arrest warrants valid throughout the State;
(4) To issue search warrants valid throughout the county; ~~and~~
(5) To grant bail before trial for any noncapital offense;
(6) Notwithstanding the provisions of subdivision (1) of this section, to hear and enter judgment as the chief district judge shall direct in all worthless check cases brought under G.S. 14-107, when the amount of the check is two thousand dollars ($2,000) or less. Provided, however, that under this section magistrates may not impose a prison sentence longer than 30 days;
(7) To conduct an initial appearance as provided in G.S. 15A-511; and
(8) To accept written appearances, waivers of trial and pleas of guilty in violations of G.S. 14-107 when the amount of the check is two thousand dollars ($2,000) or less, restitution is made, and the warrant does not charge a fourth or subsequent violation of this statute, and in these cases to enter judgments as the chief district judge directs.
~~(9) Notwithstanding the provisions of subdivision (1) of this section, to accept written appearances, waivers of trial and pleas of guilty in violations of G.S. 14-399(c) and enter judgments in those cases as the chief district judge directs. No violation of G.S. 14-399 may be disposed of pursuant to this subdivision unless the criminal pleading specifically charges a violation of subsection (c) of G.S. 14-399.~~"

(e) This section becomes effective July 15, 1992.

Requested by: Senators Marvin, Parnell, Representatives Nesbitt, Anderson, Redwine

ASSISTANT CLERKS' SALARY RANGE

Sec. 119. G.S. 7A-102(d) reads as rewritten:

"(d) Full-time assistant clerks, licensed to practice law in North Carolina, who are employed in the office of superior court clerk on and after July 1, 1984, are authorized an ~~entry level~~ annual salary of not ~~more~~ less than three-fourths of the maximum annual salary established for assistant ~~clerks~~ clerks; the clerk of superior court, with the approval of the Administrative Office of the Courts, may establish a higher annual salary but that salary shall not be higher than the maximum annual salary established for assistant clerks. Full-time assistant clerks, holding a law degree from an accredited law school, who are employed in the office of superior court clerk on and after July 1, 1984, are authorized an ~~entry-level~~ annual salary of not ~~more~~ less than two-thirds of the maximum annual salary established for assistant ~~clerks,~~ clerks; the clerk of superior court, with the

approval of the Administrative Office of the Courts, may establish a higher annual salary, but the entry-level salary may not be more than three-fourths of the maximum annual salary established for assistant clerks, and in no event may be higher than the maximum annual salary established for assistant clerks. The entry-level annual salary for all other assistant and deputy clerks employed on and after July 1, 1984, shall be at the minimum rates as herein established."

Requested by: Senators Marvin, Parnell, Representatives Anderson, Redwine

NEW ASSISTANT DISTRICT ATTORNEYS

Sec. 120. (a) Effective August 1, 1992, G.S. 7A-60(a1) reads as rewritten:

"(a1) The counties of the State are organized into prosecutorial districts, and each district has the counties and the number of full-time assistant district attorneys set forth in the following table:

Prosecutorial District	Counties	No. of Full-Time Asst. District Attorneys
1	Camden, Chowan, Currituck, Dare, Gates, Pasquotank, Perquimans	6
2	Beaufort, Hyde, Martin, Tyrrell, Washington	4
3A	Pitt	5
3B	Carteret, Craven, Pamlico	~~5~~ 6
4	Duplin, Jones, Onslow, Sampson	~~9~~ 10
5	New Hanover, Pender	8
6A	Halifax	2
6B	Bertie, Hertford, Northampton	~~2~~ 3
7	Edgecombe, Nash, Wilson	9
8	Greene, Lenoir, Wayne	8
9	Franklin, Granville, Person, Vance, Warren	~~7~~ 8
10	Wake	17
11	Harnett, Johnston, Lee	7
12	Cumberland	11
13	Bladen, Brunswick, Columbus	6
14	Durham	9
15A	Alamance	~~5~~ 6
15B	Orange, Chatham	4
16A	Scotland, Hoke	~~2~~ 3
16B	Robeson	7

17A	Caswell, Rockingham	~~4~~ 5
17B	Stokes, Surry	4
18	Guilford	~~15~~ 16
19A	Cabarrus, Rowan	~~7~~ 8
19B	Montgomery, Randolph	4
20	Anson, Moore, Richmond, Stanly, Union	10
21	Forsyth	11
22	Alexander, Davidson, Davie, Iredell	~~9~~ 10
23	Alleghany, Ashe, Wilkes, Yadkin	4
24	Avery, Madison, Mitchell, Watauga, Yancey	3
25	Burke, Caldwell, Catawba	10
26	Mecklenburg	22
27A	Gaston	~~7~~ 8
27B	Cleveland, Lincoln	5
28	Buncombe	~~6~~ 7
29	Henderson, McDowell, Polk, Rutherford, Transylvania	~~7~~ 8
30	Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain."	6

(b) Effective October 1, 1992, G.S.7A-60(a1), as amended by subsection (a) of this section, reads as rewritten:

"(a1) The counties of the State are organized into prosecutorial districts, and each district has the counties and the number of full-time assistant district attorneys set forth in the following table:

Prosecutorial District	Counties	No. of Full-Time Asst. District Attorneys
1	Camden, Chowan, Currituck, Dare, Gates, Pasquotank, Perquimans	6
2	Beaufort, Hyde, Martin, Tyrrell, Washington	4
3A	Pitt	~~5~~ 6
3B	Carteret, Craven, Pamlico	6
4	Duplin, Jones, Onslow, Sampson	10
5	New Hanover, Pender	~~8~~ 9

6A	Halifax	~~2~~ 3
6B	Bertie, Hertford, Northampton	3
7	Edgecombe, Nash, Wilson	~~9~~ 10
8	Greene, Lenoir, Wayne	8
9	Franklin, Granville, Person, Vance, Warren	8
10	Wake	~~17~~ 18
11	Harnett, Johnston, Lee	~~7~~ 8
12	Cumberland	~~11~~ 12
13	Bladen, Brunswick, Columbus	6
14	Durham	9
15A	Alamance	6
15B	Orange, Chatham	4
16A	Scotland, Hoke	3
16B	Robeson	7
17A	Caswell, Rockingham	5
17B	Stokes, Surry	4
18	Guilford	16
19A	Cabarrus, Rowan	8
19B	Montgomery, Randolph	4
20	Anson, Moore, Richmond, Stanly, Union	10
21	Forsyth	~~11~~ 12
22	Alexander, Davidson, Davie, Iredell	10
23	Alleghany, Ashe, Wilkes, Yadkin	4
24	Avery, Madison, Mitchell, Watauga, Yancey	3
25	Burke, Caldwell, Catawba	10
26	Mecklenburg	22
27A	Gaston	8
27B	Cleveland, Lincoln	5
28	Buncombe	7
29	Henderson, McDowell, Polk, Rutherford, Transylvania	8
30	Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain."	6

PART 20. DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY

Requested by: Senator Marvin, Representatives Anderson, Redwine, Jeffus

SUMMIT HOUSE

Sec. 121. Of the funds appropriated to the Department of Crime Control and Public Safety for the 1992-93 fiscal year, the sum of two hundred fifty thousand dollars ($250,000) shall be used to support the program at Summit House, a community-based residential alternative to incarceration for mothers and pregnant women convicted of nonviolent crimes. Summit House shall report quarterly to the Joint Legislative Commission on Governmental Operations on the expenditure of State appropriations and on the effectiveness of the program, including information on the number of clients served, the number of clients who have their probation revoked, and the number of clients who successfully complete the program while housed at Summit House.

Requested by: Senator Marvin, Representatives Anderson, Redwine

OPERATING FUNDS FOR AIR NATIONAL GUARD'S HANGAR

Sec. 122. Of the funds appropriated in this act to the Department of Crime Control and Public Safety for the 1992-93 fiscal year, the sum of five thousand six hundred seventeen dollars ($5,617) shall be used to operate the Air National Guard's new maintenance hangar which is located at Douglas International Airport in Charlotte.

Requested by: Senator Marvin, Representatives Barnes, Redwine, Anderson

LEGISLATIVE REVIEW OF DRUG LAW ENFORCEMENT AND OTHER GRANTS

Sec. 123. Section 73 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(a) Section 1303(4) of the Omnibus Crime Control and Safe Streets Act of 1968 provides that State applications for drug law enforcement grants are subject to review by the State legislature or its designated body.

(b) The North Carolina General Assembly hereby provides that State applications for grants under the State and Local Law Enforcement Assistance Act of 1986, Part M of the Omnibus Crime Control and Safe Streets Act of 1968 as enacted by Subtitle K of P.L. 99-570, the Anti-Drug Abuse Act of 1986, are subject to review by the Joint Legislative Commission on Governmental Operations if at the time of review the General Assembly is not in session. Any State

agency submitting a grant application for review shall also report to the House Appropriations Subcommittee on Justice and Public Safety and to the Senate Appropriations Committee on Justice and Public Safety with regard to the grant.

(c) Unless a State statute provides a different forum for review where a federal law or regulation provides that a State application for a grant must be reviewed by the State legislature or its designated body and at the time of the review the General Assembly is not in session, that application shall be reviewed by the Joint Legislative Commission on Governmental Operations. Any State agency submitting a grant application for review shall also report to the House Appropriations Subcommittee on Justice and Public Safety and to the Senate Appropriations Committee on Justice and Public Safety with regard to the grant.

(d) The Government Performance Audit Committee, established by the Legislative Services Commission pursuant to Section 347 of Chapter 689 of the 1991 Session Laws, shall study the current procedure regarding legislative review of federal grants and shall consider how to provide advance legislative review of the grants being requested by State agencies and how to streamline review procedures. The Government Performance Audit Committee shall include its findings and recommendations in its report to the 1993 General Assembly. The Government Performance Audit Committee shall consider the following issues in its study:

(1) The need to receive for legislative review prior to a State agency's applying for a federal grant accurate information and documentation regarding:
   a. The length of time that federal funds will remain available.
   b. The fiscal impact with regard to the State's budget if federal grant money is received.
   c. The fiscal impact with regard to the State's budget when the federal funds for a particular grant are reduced or cease to be available.
   d. The number of personnel positions to be established if the federal grant is received, the funding that is available at the State and federal level for those positions when initially created, and the funding available to continue those positions if federal funding is reduced or ceases to be available.

(2) The use of salary reserve funds by a State agency to create new personnel positions.

(3) The need to streamline the advance review of federal grants that are requested by State agencies.

(4) The need to restrict the State Budget Office from creating new personnel positions without obtaining prior legislative approval."

PART 21. DEPARTMENT OF JUSTICE

Requested by: Senator Marvin, Representatives Anderson, Redwine
DEPARTMENT OF JUSTICE STUDY/CHARGES FOR LEGAL SERVICES TO LOCAL GOVERNMENTS AND STATE AGENCIES

Sec. 124. Section 86 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 86. (a) The Department of Justice shall study the feasibility of charging local governments for legal services rendered to those governments by the Office of the Attorney General. The Department of Justice shall consider the number of requests for legal assistance received from local governments, the type of legal assistance requested, the time required to respond to the requests, and any other matters related to the issue of charging local governments for legal assistance. The Department of Justice shall also consider what fee, if any, is appropriate to charge local governments for such legal services. The Department of Justice shall report its findings and recommendations to the ~~1991 General Assembly, 1992 Regular Session,~~ 1993 General Assembly.

(b) The Department of Justice shall study the feasibility of an increase in the fees currently charged other State departments and agencies for its legal services, such fee increase to be effective for the 1993-94 fiscal year. The Department of Justice shall also study the feasibility of requiring all State departments and agencies that have attorneys assigned to them by the Attorney General to pay the compensation, including salaries and benefits, for those legal positions. The Department of Justice shall report its findings and recommendations to the ~~1991 General Assembly, 1992 Regular Session,~~ 1993 General Assembly."

Requested by: Senators Marvin, Odom, Representatives Anderson, Redwine, Dickson
JUSTICE ACADEMY STUDY/STUDENT REGISTRATION FEE

Sec. 125. Section 88 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 88. The North Carolina Justice Academy shall study the possibility of requiring a student registration fee. The study shall include consideration of the actual cost for a student to attend the Justice Academy, the merits of charging a registration fee, and the amount, if any, that should be charged as a registration fee. The

North Carolina Justice Academy shall report its findings and recommendations to the ~~1991 General Assembly, 1992 Regular Session.~~ Joint Legislative Commission on Governmental Operations and the Fiscal Research Division."

Requested by: Senators Marvin, Odom, Representatives Anderson, Redwine, Dickson

LEGAL POSITION TRANSFER FUNDS PARTIALLY RESTORED

Sec. 126. Of the funds appropriated to the Department of Justice for the 1992-93 fiscal year, the Department may use the sum of seventeen thousand one hundred forty-two dollars ($17,142) to restore partially the funds reduced pursuant to Section 91 of Chapter 689 of the 1991 Session Laws as amended by Section 50.2 of Chapter 761 of the 1991 Session Laws.

Requested by: Senators Basnight, Marvin, Odom, Representatives Anderson, Redwine, Dickson

SBI FUNDS/SPENDING PRIORITIES

Sec. 127. Section 92.1(a) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(a) Of the funds appropriated in this Title to the Department of Justice, State Bureau of Investigation, for the 1991-92 fiscal year and the 1992-93 fiscal year for overtime payments, the first priority for use of the funds by the Department shall be:

(1) To make overtime payments to SBI agents in the Field Investigations Division; and

(2) To make overtime payments to supervisory personnel receiving overtime payments as of ~~June 30, 1991,~~ June 30, 1992, up to a maximum of $5,200 annually per individual."

PART 22. DEPARTMENT OF HUMAN RESOURCES

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling

DRUG USE REVIEW PROGRAM/RULES

Sec. 128. Chapter 108A of the General Statutes is amended by adding a new section to read:

"*§ 108A-68. Drug Use Review Program; rules.*

Notwithstanding the provisions of Chapter 90 of the General Statutes or of any other provision of law, the Division of Medical Assistance, Department of Human Resources, shall adopt rules implementing the drug use review provisions of the Omnibus Budget Reconciliation Act of 1990, as amended."

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye
MEDICAID

Sec. 129. Section 93 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 93. (a) Funds appropriated in this Title for services provided in accordance with Title XIX of the Social Security Act (Medicaid) are for both the categorically needy and the medically needy. Funds appropriated for these services shall be expended in accordance with the following schedule of services and payment bases. All services and payments are subject to the language at the end of this subsection.

Services and payment bases:

(1) Hospital-Inpatient - Payment for hospital inpatient services will be prescribed in the State Plan as established by the Department of Human Resources. Administrative days for any period of hospitalization shall be limited to a maximum of three days.

(2) Hospital-Outpatient - Eighty percent (80%) of allowable costs or a prospective reimbursement plan as established by the Department of Human Resources.

(3) Nursing Facilities - As prescribed under the reimbursement plan for Nursing Facilities. Nursing facilities providing services to Medicaid recipients who also qualify for Medicare, must be enrolled in the Medicare program as a condition of participation in the Medicaid program, subject to phase-in certification for those nursing facilities not already enrolled in Medicare. State facilities are not subject to the requirement to enroll in the Medicare Program.

(4) Intermediate Care Facilities for the Mentally Retarded - As prescribed under the State Plan for reimbursing intermediate care facilities for the mentally retarded.

(5) Drugs - Drug costs as allowed by federal regulations plus a professional services fee per month excluding refills for the same drug or generic equivalent during the same month. Reimbursement shall be available for up to six prescriptions per recipient, per month, including refills. Payments for drugs are subject to the provisions of subsection ~~(h)~~ (f) of this section and to the provisions at the end of subsection (a) of this section, or in accordance with ~~a plan~~ the State Plan adopted by the Department of Human Resources consistent with federal reimbursement regulations. Payment of the professional services fee shall be made in

accordance with the plan adopted by the Department of Human Resources, consistent with federal reimbursement regulations. Adjustments to the professional services fee shall be established by the General Assembly.

(6) Physicians, Chiropractors, Podiatrists, Optometrists, Dentists, Certified Nurse Midwife Services - Fee schedules as developed by the Department of Human Resources. Payments for dental services are subject to the provisions of subsection ~~(g)~~ (e) of this section.

(7) Community Alternative Program, EPSDT Screens - Payment to be made in accordance with rate schedule developed by the Department of Human Resources.

(8) Home ~~Health,~~ Health and Related Services, Private Duty Nursing, Clinic Services, Prepaid Health ~~Plans -~~ Plans, Durable Medical Equipment - Payment to be made according to reimbursement plans developed by the Department of Human Resources.

(9) Medicare Buy-In - Social Security Administration premium.

(10) Ambulance Services - Uniform fee schedules as developed by the Department of Human Resources.

(11) Hearing Aids - Actual cost plus a dispensing fee.

(12) Rural Health Clinic Services - Provider based - reasonable cost; nonprovider based - single cost reimbursement rate per clinic visit.

(13) Family Planning - Negotiated rate for local health departments. For other providers - see specific services, for instance, hospitals, physicians.

(14) Independent Laboratory and X-Ray services - Uniform fee schedules as developed by the Department of Human Resources.

(15) Optical Supplies - One hundred percent (100%) of reasonable wholesale cost of materials.

(16) Ambulatory Surgical Centers - Payment as prescribed in the reimbursement plan established by the Department of Human Resources.

(17) Medicare Crossover Claims - An amount up to the actual coinsurance or deductible or both, in accordance with the plan, as approved by the Department of Human Resources.

(18) Physical Therapy and Speech Therapy - Services limited to EPSDT eligible children. Payments are to be made only to the Children's Special Health Services program at rates negotiated by the Department of Human Resources.

(19) Personal Care Services - Payment in accordance with plan approved by the Department of Human Resources.

(20) Case Management Services - Reimbursement in accordance with the availability of funds to be transferred within the Department of Human Resources.

(21) Hospice - Services may be provided in accordance with plan developed by the Department of Human Resources.

(22) Other Mental Health Services - Unless otherwise covered by this section, coverage is limited to agencies meeting the requirements of the rules established by the Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services, and reimbursement is made in accordance with a plan developed by the Department of Human Resources not to exceed the upper limits established in federal regulations.

(23) Medically Necessary Prosthetics or Orthotics for EPSDT Eligible Children - Reimbursement in accordance with plan approved by the Department of Human Resources.

(24) Health Insurance Premiums - Payments to be made in accordance with the plan adopted by the Department of Human Resources consistent with federal regulations.

Services and payment bases may be changed with the approval of the Director of the Budget.

Reimbursement is available for up to 24 visits per recipient per year to any one or combinations of the following: physicians, clinics, hospital outpatients, optometrists, chiropractors, and podiatrists. Prenatal services, all ESPDT children, and emergency rooms are exempt from the visit limitations contained in this paragraph. Exceptions may be authorized by the Department of Human Resources where the life of the patient would be threatened without such additional care. Any person who is determined by the Department to be exempt from the 24-visit limitation may also be exempt from the six-prescription limitation.

(b) Allocation of Nonfederal Cost of Medicaid. The State shall pay eight-five percent (85%); the county shall pay fifteen percent (15%) of the nonfederal costs of all applicable services listed in this section.

(c) Copayment for Medicaid Services. The Department of Human Resources may establish copayment up to the maximum permitted by federal law and regulation.

(d) Medicaid and Aid to Families with Dependent Children Income Eligibility Standards. Effective January 1, 1990, the maximum net family annual income eligibility standards for Medicaid and Aid to Families with Dependent Children, and the Standard of Need for Aid to Families with Dependent Children shall be as follows.

Categorically Needy		Medically Needy	
Family Size	Standard Of Need	AFDC Payment Level*	AA,AB,AD*
1	$ 4,344	$ 2,172	$ 2,900
2	5,664	2,832	3,800
3	6,528	3,264	4,400
4	7,128	3,564	4,800
5	7,776	3,888	5,200
6	8,376	4,188	5,600
7	8,952	4,476	6,000
8	9,256	4,680	6,300

*Aid to Families with Dependent Children (AFDC); Aid to the Aged (AA); Aid to the Blind (AB); and Aid to the Disabled (AD).

The payment level for Aid to Families with Dependent Children shall be fifty percent (50%) of the standard of need.

These standards may be changed with the approval of the Director of the Budget with the advice of the Advisory Budget Commission.

~~(e) Spouse Responsibility. The Department of Human Resources, Division of Medical Assistance, may not consider the income or assets of the spouse of a person who is admitted as a long-term care patient in a certified public or private intermediate care or skilled nursing facility to be available to the institutionalized person. This provision will remain in effect until superseded by federal law under the Medicare Catastrophic Coverage Act of 1988, on September 1, 1989.~~

~~(f)~~(e) Dental Coverage Limits. ~~Dental~~ Until October 1, 1992, dental services will be provided on a restricted basis in accordance with regulations developed by the Department. Funds for dental services shall be disbursed only with prior approval by the Department of Human Resources, Division of Medical Assistance, as required by this subsection. No prior approval shall be required for emergency services or routine services. Routine services are defined as examinations, X rays, prophylaxes, nonsurgical tooth extractions, amalgam fillings, and fluoride treatments. Prior approval shall be required for all other services and for routine services performed more than two times during a consecutive 12-month period. The Department of Human Resources shall adopt rules, as provided by the Administrative Procedure Act, to implement this subsection. Effective October 1, 1992, dental services shall be provided on a restricted basis in accordance with rules adopted by the Department to implement this subsection.

~~(g)~~(f) Dispensing of Generic Drugs. Notwithstanding G.S. 90-85.27 through G.S. 90-85.31, under the Medical Assistance Program

(Title XIX of the Social Security Act) a prescription order for a drug designated by a trade or brand name shall be considered to be an order for the drug by its established or generic name, except when the prescriber personally indicates, either orally or in his own handwriting on the prescription order, 'dispense as written' or words of similar meaning. Generic drugs, when available in the pharmacy, shall be dispensed at a lower cost to the Medical Assistance Program rather than trade or brand name drugs, subject to the prescriber's 'dispense as written' order as noted above.

As used in this subsection 'brand name' means the proprietary name the manufacturer places upon a drug product or on its container, label, or wrapping at the time of packaging; and "established name" has the same meaning as in section 502(e)(3) of the Federal Food, Drug and Cosmetic Act as amended, 21 U.S.C. § 352(e)(3).

~~(h)~~(g) Exceptions to Service Limitations, Eligibility Requirements, and Payments. Service limitations, eligibility requirements, and payments, and payments bases in this section may be waived by the Department of Human Resources, with the approval of the Director of the Budget, to allow the Department to carry out pilot programs for prepaid health plans or community based services programs in accordance with plans approved by the United States Department of Health and Human Services, or when the Department determines that such a waiver will result in a reduction in the total Medicaid costs for the recipient.

~~(i)~~(h) Volume Purchase Plans and Single Source Procurement. The Department of Human Resources, Division of Medical Assistance, may, subject to the approval of a change in the State Medicaid Plan, contract for services, medical equipment, supplies, and appliances by implementation of volume purchase plans, single source procurement or other similar processes in order to improve cost containment.

~~(j)~~(i) Cost Containment Programs. The Department of Human Resources, Division of Medical Assistance, may undertake cost containment programs including preadmissions to hospitals and prior approval for certain outpatient surgeries before they may be performed in an inpatient setting.

~~(k)~~(j) For all Medicaid eligibility classifications for which the federal poverty level is used as an income limit for eligibility determination, the income limits will be updated each ~~July~~ April 1 immediately following publication of federal poverty guidelines.

~~(l)~~(k) Effective January 1, 1988, the Department of Human Resources shall provide Medicaid to 19-, 20-, and 21-year-olds in accordance with federal rules and regulations.

~~(m)~~(l) The Department of Human Resources shall provide coverage to pregnant women and children according to the following schedule:

(1) Pregnant women with incomes equal to or less than one hundred eighty-five percent (185%) of the federal poverty guidelines as revised each ~~July~~ April 1 shall be covered for Medicaid benefits;

(2) Infants under the age of 1 with family incomes equal to or less than one hundred eighty-five percent (185%) of the federal poverty guidelines as revised each ~~July~~ April 1, shall be covered for Medicaid benefits;

(3) Children aged 1 through 5 with family incomes equal to or less than one hundred thirty-three percent (133%) of the federal poverty guidelines as revised each ~~July~~ April 1 shall be covered for Medicaid benefits; and

(4) Children aged 6 through 18 who were born after September 30, 1983, with family incomes equal to the federal poverty guidelines as revised each ~~July~~ April 1, shall be covered for Medicaid benefits.

Services to pregnant women eligible under this section continue throughout the pregnancy but include only those related to pregnancy and to those other conditions determined by the Department as conditions that may complicate pregnancy. In order to reduce county administrative costs and to expedite the provision of medical services to pregnant women, to infants, and to children eligible under this section, no resources test shall be applied.

~~(n)~~(m) The Department of Human Resources may use Medicaid funds budgeted from program services to support the cost of administrative activities to the extent that these administrative activities produce a net savings in services requirements. Administrative initiatives funded by this section shall be first approved by the Office of State Budget and Management."

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

PHYSICIAN SERVICES

Sec. 130. With the approval of the Office of State Budget and Management, the Department of Human Resources may use funds appropriated in this act for across-the-board salary increases and performance pay to offset similar increases in the costs of contracting with private and independent universities for the provision of physician services to clients in facilities operated by the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services. This offsetting shall be done in the same manner as is currently done with constituent institutions of The University of North Carolina.

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling
LIABILITY INSURANCE

Sec. 131. Section 114 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 114. The Secretary of the Department of Human Resources, the Secretary of the Department of Environment, Health, and Natural Resources, and the Secretary of the Department of Correction may provide medical liability coverage not to exceed $1,000,000 on behalf of employees of the Departments licensed to practice medicine or ~~dentistry.~~ dentistry, and on behalf of medical residents from The University of North Carolina who are in training at institutions operated by the Department of Human Resources. This coverage may include commercial insurance or self-insurance and shall cover these ~~employees~~ individuals for their acts or omissions only while they are engaged in providing medical and dental services pursuant to their State ~~employment.~~ employment or training.

The coverage provided under this section shall not cover any ~~employee~~ individual for any act or omission that the ~~employee~~ individual knows or reasonably should know constitutes a violation of the applicable criminal laws of any state or the United States, or that arises out of any sexual, fraudulent, criminal, or malicious act, or out of any act amounting to willful or wanton negligence.

The coverage provided pursuant to this section shall not require any additional appropriations and shall not apply to any individual providing contractual service to the Department of Human Resources, the Department of Environment, Health, and Natural Resources, or the Department of ~~Correction.~~ Correction, with the exception that coverage may include medical residents from The University of North Carolina who are in training at institutions operated by the Department of Human Resources."

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye
NON-MEDICAID REIMBURSEMENT

Sec. 132. Section 115 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 115. Providers of medical services under the various State programs, other than Medicaid, offering medical care to citizens of the State shall be reimbursed at rates no more than those under the North Carolina Medical Assistance Program.

The Department of Human Resources may reimburse hospitals at the full prospective per diem rates without regard to the Medical Assistance Program's annual limits on hospital days. When the

Medical Assistance Program's per diem rates for inpatient services and its interim rates for outpatient services are used to reimburse providers in non-Medicaid medical service programs, retroactive adjustments to claims already paid shall not be required.

Notwithstanding the provisions of paragraph one of this section, the Department of Human Resources may negotiate with providers of medical services under the various Department of Human Resources' programs, other than Medicaid, for rates as close as possible to Medicaid rates for the following purposes: contracts or agreements for medical services and purchases of medical equipment and other medical supplies. These negotiated rates are allowable only to meet the medical needs of its non-Medicaid eligible patients, residents, and clients who require these services that cannot be provided when limited to the Medicaid rate.

Maximum net family annual income eligibility standards for services in these programs shall be as follows:

Family Size	Medical Eye Care Adults	All Rehabilitation	Other
1	$4,860	$ 8,364	$4,200
2	5,940	10,944	5,300
3	6,204	13,500	6,400
4	7,284	16,092	7,500
5	7,824	18,648	7,900
6	8,220	21,228	8,300
7	8,772	21,708	8,800
8	9,312	22,220	9,300

The eligibility level for children in the Medical Eye Care Program in the Division of Services for the Blind and for adults in the Clozaril program in the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services shall be one hundred percent (100%) of the federal poverty guidelines, as revised annually by the United States Department of Health and Human Services and in effect on July 1 of each fiscal year.

The Department of Human Resources shall contract at, or as close as possible to, Medicaid rates for medical services provided to residents of State facilities of the Department."

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling

DEVELOPMENTAL DAY CENTERS' GRANT-IN-AID

Sec. 133. Section 118 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 118. Of the funds appropriated ~~in this Title,~~ to the Department of Human Resources, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, the sum of ~~$2,260,470~~ two million two hundred sixty thousand four hundred seventy dollars ($2,260,470) for the 1991-92 fiscal year ~~is~~ and two million three hundred one thousand two hundred forty-eight dollars ($2,301,248) for the 1992-93 fiscal year are transferred to the Department of Public Instruction for handicapped children aged 3 through 4 years who have been identified through Division of Mental Health, Developmental Disabilities, and Substance Abuse Services statewide services and who are served in developmental day centers. These funds shall be used to contract with area mental health, developmental disabilities, and substance abuse authorities or with public or private nonprofit developmental day centers to continue to serve handicapped children aged 3 through 4 years who are identified as needing developmental day services.

The Department of Public Instruction shall report to the General Assembly and to the Fiscal Research Division by May 1, ~~1992,~~ 1992 and May 1, 1993, regarding the use of the funds transferred to it by this section."

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

DEPARTMENT OF HUMAN RESOURCES PROGRAM FUNDS

Sec. 134. Section 132 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 132. Notwithstanding the provisions of G.S. 143-23, the Secretary of the Department of Human Resources, with the approval of the Office of State Budget and Management, may use, to the extent possible, any funds appropriated or otherwise available to the Department in the 1991-92 fiscal year and in the 1992-93 fiscal year for the Mental Health Accounts Receivable/Billing System."

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling

ICF/MR/DD PLAN AND IMPLEMENTATION SCHEDULE

Sec. 135. The Department of Human Resources shall develop a plan and an implementation schedule to address the escalating use and costs of intermediate care facilities for the mentally retarded/developmentally disabled (ICF/MR/DD) community facilities. This plan shall include provisions for the Area Mental Health, Developmental Disabilities, and Substance Abuse Services authorities to screen all clients for all Developmental Disabilities programs, including ICF/MR/DD facilities. The plan shall also include

alternative, less costly methods for establishing ICF/MR/DD community facility reimbursement rates and alternative, less costly services that could meet the needs of people currently in ICF/MR/DD community facilities. Any new reimbursement rate methodology shall be applied to all facilities seeking a Certificate of Need after a date to be specified by the Department and shall be phased in according to a schedule developed by the Department for all existing ICF/MR/DD community facilities. The Department shall implement elements of the plan as quickly as possible and shall present the plan and any results of its implementation to the General Assembly by March 1, 1993.

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling

MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES FUNDS

Sec. 136. (a) Of the funds appropriated in this act to the Department of Human Resources, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, the sum of nine million dollars ($9,000,000) for the 1992-93 fiscal year shall be expended in accordance with the plans developed by the Mental Health Study Commission and adopted by the General Assembly.

These funds shall be allocated as follows:

(1) Services for the mentally ill $3,000,000;
(2) Services for the developmentally disabled $3,00,000; and
(3) Services for substance abusers $3,000,000.

(b) Of the funds allocated in subsection (a) of this section for services for the developmentally disabled, three hundred thousand dollars ($300,000) shall be transferred in the 1992-93 fiscal year to the Division of Maternal and Child Health, Department of Environment, Health, and Natural Resources, for the United Cerebral Palsy therapeutic preschool programs.

(c) The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services shall ensure that the funds expended under this section are used for the disability populations for which they were intended.

(d) The Division of Mental Health, Developmental Disabilities, and Substance Abuse Services shall report to the General Assembly by March 1, 1993, regarding the expenditure of funds authorized by this section.

(e) To the maximum extent possible, Area Mental Health Authorities are encouraged to develop service implementation plans in accordance with the long-range plans of the Mental Health Study

Commission and with the involvement of local affected organizations. These plans may be used as the basis for future budget requests submitted to the Division.

Criteria for development and content of these plans shall be developed by the Department of Human Resources and the members of Coalition 2001 and presented to the Mental Health Study Commission for consideration by November 1, 1992. The plans themselves shall be ready for review by the Department and the Mental Health Study Commission by November 1, 1993.

(f) In recognition of Senator Kenneth C. Royall, Jr.'s career-long commitment to mental health, the increase in funding in Chapter 812 of the 1991 Session Laws for the Alcohol, Drug Abuse, and Mental Health Services Block Grant for adult and child mental health services shall be used, to the extent allowed by federal law, to implement the Child and Adult Mental Health plans developed by the Mental Health Study Commission, endorsed by Coalition 2001, and adopted by the General Assembly.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

CERTIFICATE OF NEED/MEDICAID

Sec. 137. (a) G.S. 131E-185(b) is repealed.

(b) G.S. 131E-185(c) reads as rewritten:

"(c) The Department ~~shall promulgate rules establishing criteria for determining when it would not be practicable to complete a review within 90 days from the beginning date of the review period for the application. If the Department finds that these criteria are met for a particular project, it~~ may extend the review period for a period not to exceed 60 days and provide notice of such extension to all applicants."

(c) G.S. 131E-186 reads as rewritten:

"§ *131E-186. Decision.*

(a) Within the prescribed time limits in G.S. 131E-185, the Department shall issue a decision to 'approve,' 'approve with conditions,' or 'deny,' an application for a new institutional health service. Approvals involving new or expanded nursing care or intermediate care for the mentally retarded bed capacity shall include a condition that specifies the earliest possible date the new institutional health service may be certified for participation in the Medicaid program. The date shall be set far enough in advance to allow the Department to identify funds to pay for care in the new or expanded facility in its existing Medicaid budget or to include these funds in its State Medicaid budget request for the year in which Medicaid certification is expected.

(b) Within five business days after it makes a decision on an application, the Department shall provide written notice of all the findings and conclusions upon which it based its decision, including the criteria used by the Department in making its decision, to ~~both the applicant and to the appropriate health systems agency.~~ the applicant."

(d) This section is effective upon ratification.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

ICF AND ICF/MR WORK INCENTIVE ALLOWANCES

Sec. 138. Effective October 1, 1992, the Department of Human Resources may provide an incentive allowance to Medicaid eligible recipients of ICF and ICF/MR facilities who are regularly engaged in work activities as part of their developmental plan and for whom retention of additional income contributes to their achievement of independence. The State funds required to match the federal funds that are required by these allowances shall be provided from savings within the Medicaid budget or from other unbudgeted funds available to the Department. The incentive allowances may be as follows:

Monthly Net Wages	Monthly Incentive Allowance
$1.00 to $100.00	Up to $50.00
$101.00 to $200.00	$80.00
$201.00 to $300.00	$130.00
$301.00 and greater	$212.00.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye, Diamont

STATE/LOCAL CHILD FATALITY PREVENTION INITIATIVES

Sec. 139. (a) The Department of Human Resources shall conduct a study of how best to ensure the county child protective services programs' accountability, to ensure that their management organization is the best it can be, and to determine whether there is a need for stronger State supervision of the county programs. The Department shall report the results of this study, including any legislative proposals, to the 1993 General Assembly by March 1, 1993.

(b) The Department of Human Resources, Division of Social Services, shall ensure that community interdisciplinary teams develop protocols to use in child abuse and neglect reviews.

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling, Diamont

SOCIAL SERVICES' PROTECTIVE SERVICES' ALLOCATION

Sec. 140. Of the funds appropriated to the Department of Human Resources, Division of Social Services, for the 1992-93 fiscal year for child protective services, the sum of one million dollars ($1,000,000) shall be allocated among all of the county departments of social services based on the percentage that the total number of child abuse and neglect reports within that county represents to the statewide total number of child abuse and neglect reports. These percentages shall be computed from the reports received by the Central Registry of Abuse and Neglect for the last two fiscal years.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye, Diamont

TASK FORCE ON CHILD PROTECTIVE SERVICES FUNDING

Sec. 141. The Secretary of the Department of Human Resources shall appoint a Task Force on the Financing of Child Protective Services Programs. The Task Force shall be composed of officials from State and local government agencies that affect child protective services development or delivery, at least one member of the House of Representatives, and one member of the Senate. The Task Force shall develop recommendations for State/county cost sharing of child protective services programs. Each recommendation shall include an assessment of fiscal impact and a schedule for implementation. Among the options studied, the Task Force shall consider a recommendation that applies a sliding match requirement to counties based on the counties' ability to pay and their relative burden of public assistance cases. The Task Force shall report the results of its study, together with any recommendations, including any legislative proposals, to the 1993 General Assembly and to the Fiscal Research Division of the Legislative Services Office within one week of the convening of the 1993 General Assembly.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

ADOPTION SUBSIDY

Sec. 142. Section 99 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 99. ~~The~~ Effective July 1, 1991, the adoption subsidy paid monthly by the Division of Social Services, Department of Human Resources, to eligible families who adopt hard-to-place children shall be established at ~~$150.00~~ one hundred fifty dollars ($150.00) per child per month. Effective July 1, 1992, this adoption subsidy shall be established at two hundred dollars ($200.00) per child per month."

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling, Diamont
INFANT MORTALITY FUNDS

Sec. 143. The Department of Human Resources, Division of Medical Assistance, with support by the Office of Rural Health and Resource Development, the Department of Environment, Health, and Natural Resources, Division of Maternal and Child Health, the Governor's Commission on the Reduction of Infant Mortality, and other relevant community groups, shall conduct a study to determine the extent to which the lack of provider participation in the Medicaid program creates access barriers to pregnant women and children on Medicaid. The study shall examine the extent of participation in the Medicaid program by obstetricians, family practitioners, certified nurse midwives, and pediatricians who provide prenatal, delivery, or pediatric services, as well as different methods of increasing provider participation. The Division of Medical Assistance shall report its findings to the 1993 General Assembly no later than March 15, 1993.

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling
DOMICILIARY CARE REIMBURSEMENT RATE INCREASE

Sec. 144. Section 127 of Chapter 689 of the 1991 Session Laws, as rewritten by Section 221 of Chapter 689 of the 1991 Session Laws, reads as rewritten:

"Sec. 127. Effective July 1, 1991, the maximum monthly rate for ambulatory residents in domiciliary care facilities shall be ~~$832.00~~ eight hundred thirty-two dollars ($832.00) and the maximum monthly rate for semiambulatory residents shall be ~~$871.00.~~ eight hundred seventy-one dollars ($871.00). Effective July 1, 1992, the maximum monthly rates for ambulatory residents shall be increased to ~~$843.00~~ eight hundred eighty-nine dollars ($889.00) and for semiambulatory residents to ~~$882.00.~~ nine hundred twenty-eight dollars ($928.00)."

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling
ADOLESCENT PARENTING PROGRAM

Sec. 145. The Division of Social Services, Department of Human Resources, shall evaluate all of the adolescent parenting program and shall report its findings to the House and Senate Appropriations Committees by January 1, 1993.

The evaluations of these programs shall include a study of the effectiveness of the programs in preventing the second pregnancies, enhancing parenting skills, improving prenatal and perinatal care, and

continuing secondary education participation among the target population.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

CHILD DAY CARE REVOLVING LOAN FUND

Sec. 146. Notwithstanding any law to the contrary, funds budgeted for the Child Day Care Revolving Loan Fund may be transferred to and invested by the financial institution contracted to operate the Fund. The principal and any income to the Fund may be used to make loans, reduce loan interest to borrowers, serve as collateral for borrowers, pay the contractor's cost of operating the Fund, or to pay the Department's cost of administering the program.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

SOCIAL SERVICES PLAN/FAMILY PRESERVATION SERVICES

Sec. 147. (a) Of the funds appropriated to the Department of Human Resources, Division of Social Services, in this act for the 1992-93 fiscal year, the sum of four hundred ten thousand dollars ($410,000) shall be used to enable the Department to develop further the Social Services Plan, in consultation and cooperation with other appropriate agencies and organizations and consistent with the policies as provided by Chapter 448 of the 1989 Session Laws.

As part of the further development of the Social Services Plan, the Department of Human Resources shall pilot in three to five counties the core services as described in its report on the Social Services Plan to the General Assembly. The piloting shall include the establishment of minimum standards for the provision of the core services, including the staffing standards, caseload standards, training standards, and facilities standards.

In implementing Family Centered Services as a core service, the Secretary of the Department of Human Resources shall consider the advice and recommendations of the Advisory Committee on Family Centered Services.

These funds may be used as a match for federal funds that may be available in order to maximize support for the pilot. Funds appropriated by the General Assembly to be allocated to counties for child protective services shall be used by the pilot counties to strengthen investigations and treatment in Child Protective Services as a core service. Any funds allocated to counties pursuant to this subsection shall be matched by the counties at the rate of one county dollar for every three State dollars.

(b) Of the funds appropriated to the Department of Human Resources, Division of Social Services, the sum of fifty thousand dollars ($50,000) for the 1992-93 fiscal year shall be used to make grants to public or private agencies to develop and implement model programs of locally based Family Preservation Services as provided in Part 4A of Article 3 of Chapter 143B of the General Statutes, Family Preservation Act. These funds shall be used in conjunction with funds identified within the Department to implement the Family Preservation Services Program as provided in this section. The Secretary of the Department of Human Resources shall ensure that the development of these Family Preservation Models and the piloting of the core social services described in subsection (a) of this section are coordinated at State and local levels to achieve the most effective service delivery for families and use of available funding sources.

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling

IN-HOME AIDE SERVICES SUPERVISORY VISIT

Sec. 148. (a) Each home care agency shall conduct at least one supervisory visit each quarter to the home of at least one client served by each in-home aide providing services subject to licensure under Part C of Article 6 of Chapter 131E of the General Statutes and funded through the Divisions of Aging and Social Services, who has been employed by that agency for at least one month.

(b) This section does not apply to supervisory visits to homes of clients served by an aide who is functioning as a Nurse Aide I.

(c) This section expires March 31, 1993, if funds are available to the Department by that date to fund fully the In-Home Aide supervisory visits required by Part C of Article 6 of Chapter 131E of the General Statutes. The Department shall report to the Subcommittee on Human Resources of the Senate Appropriations Committee by March 1, 1993, if funds are not available. If funds are not available by March 31, 1993, this section expires June 30, 1993.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

CERTIFICATE OF NEED TEMPORARY RULES

Sec. 149. G.S. 150B-21.1(a) reads as rewritten:

"(a) Adoption. -- An agency may adopt a temporary rule without prior notice or hearing or upon any abbreviated notice or hearing the agency finds practical when it finds that adherence to the notice and hearing requirements of this Part would be contrary to the public interest and that the immediate adoption of the rule is required by one or more of the following:

(1) A serious and unforeseen threat to the public health, safety, or welfare.
(2) The effective date of a recent act of the General Assembly or the United States Congress.
(3) A recent change in federal or State budgetary policy.
(4) A federal regulation.
(5) A court order.
(6) The need for the rule to become effective the same date as the State Medical Facilities Plan approved by the Governor, if the rule addresses a matter included in the State Medical Facilities Plan.

An agency must prepare a written statement of its findings of need for a temporary rule. The statement must be signed by the head of the agency adopting the rule.

An agency must begin rule-making proceedings for a permanent rule by the day it adopts a temporary rule. An agency begins rule-making proceedings for a permanent rule by submitting to the codifier written notice of its intent to adopt a permanent rule."

Requested by: Senators Plyler, Basnight, Richardson, Walker, Representatives Easterling, Nye

BUSINESS AND CONSUMER ADVISORY COUNCIL FOR THE DIVISION OF VOCATIONAL REHABILITATION SERVICES

Sec. 150. Article 59 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"*§ 143-548. Business and Consumer Advisory Council.*

(a) There is established a Business and Consumer Advisory Council within the Division of Vocational Rehabilitation Services to be composed of 15 voting members and of the Director of the Division of Vocational Rehabilitation Services, who shall serve ex officio as a nonvoting member. The President Pro Tempore of the Senate shall appoint four members, the Speaker of the House of Representatives shall appoint four members, and the Governor shall appoint seven members. All members shall serve three-year terms. Vacant appointments shall be filled by the appointing officer who made the initial appointments. Members may be appointed to succeed themselves. Appointments shall be made as follows:

(1) Of the four members appointed by the President Pro Tempore of the Senate, one shall be recommended by the North Carolina Citizens for Business and Industry, two others shall be providers of community rehabilitation services, and one other shall be a representative from the North Carolina Council for the Deaf and the Hard of Hearing;

(2) Of the four members appointed by the Speaker of the House of Representatives, one shall be from the business and industry sector, two others shall be parents of disabled youth who are approaching the age to be served by the Vocational Rehabilitation Program, and one other shall be a representative from the organizations representing the mentally ill; and

(3) Of the seven members appointed by the Governor, one shall be from the business and industry sector, one other shall represent the regional rehabilitation centers for the physically disabled appointed from a list provided by the advisory committee to those centers, one other shall be a representative from the State Independent Living Council, one other shall be a representative from the Client Assistance Program, one other shall be a representative from the operators of centers for Independent Living, and two others shall be members of the public who are themselves disabled, are parents of children with disabilities, or are direct care providers of services for persons with disabilities.

(b) The Council shall:

(1) Advise the Division on matters relating to services, the impact of services provided and functions performed by all State agencies that affect or that potentially affect the ability of individuals with disabilities in achieving rehabilitation goals and objectives;

(2) Advise the Division and, at the discretion of the Division, assist in the preparation of the State Plan, the Strategic Plan, and their amendments;

(3) Participate in cooperation with the Division in the State Plan public hearing process; and

(4) Advise the Division on coordination and linkage with the Statewide Independent Living Council and independent living centers within the State.

(c) The Secretary of Human Resources shall designate as Chair of the Council one of the members of the Council at the first meeting of the Council. The Chair's term is a single three-year term. The Secretary shall designate the Chair's successor at the next meeting following this term's expiration.

(d) The Council shall meet at least quarterly and at other times at the call of the Chair. A majority of the voting members of the Council constitutes a quorum.

(e) The Division of Vocational Rehabilitation Services shall supply all necessary clerical and staff support to the Council. Council

members shall be reimbursed for expenses incurred in the performance of their duties in accordance with G.S. 138-5.

(f) All appointments to the Council shall be made by September 30, 1992."

Requested by: Senators Richardson, Walker, Representatives Nye, Easterling

DHR DURABLE MEDICAL EQUIPMENT FUNDS

Sec. 151. If the Secretary of the Department of Human Resources determines that a reduction to provider reimbursements for Durable Medical Equipment is detrimental to Medicaid patients because patients cannot obtain this equipment at Medicaid rates, the Secretary may adjust provider reimbursements. The Secretary may use funds otherwise available to the Department to fund the costs of these adjustments.

PART 23. DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

MCNC BUDGET LIMITS

Sec. 152. Section 150 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 150. (a) The funds appropriated in this act to MCNC shall be used as follows:

	FY 1991-92	FY 1992-93
Microelectronics Program	$ 6,194,302	~~$6,000,000~~ 4,768,966
Grants Program	-0-	-0-
Administration & Support	2,204,804	2,000,000
Supercomputer	5,298,063	5,224,705
Telecommunications	2,827,971	~~2,775,295~~ 4,006,329

(b) Of the funds appropriated to MCNC for the Microelectronics Program, ~~$2,000,000~~ two million dollars ($2,000,000) of the total appropriation in each fiscal year is contingent upon a dollar-for-dollar match in non-State funds.

(c) If MCNC finds it necessary to make changes in the program allocations specified in subsection (a) of this Section, MCNC shall report such changes to the Joint Legislative Commission on Governmental Operations ~~within 30 days of the reallocation.~~ 30 days before the reallocation."

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

HOME PROGRAM MATCHING FUNDS

Sec. 153. (a) Section 225 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 225. ~~The Department of Economic and Community Development shall not spend any funds appropriated in this Title for the State administration of the federal HOME Program until Congress appropriates federal funds for the Program.~~ Funds appropriated in this act to the Department of Economic and Community Development for the federal HOME Program shall be used by the Department to match federal funds appropriated for the HOME Program. In allocating State funds appropriated to match federal HOME Program funds, the Department shall give priority to HOME Program projects, as follows:

(1) First priority to projects that are located in counties designated as severely distressed counties under G.S. 105-130.40(c) or G.S. 105-151.17(c); and

(2) Second priority to projects that benefit persons and families whose incomes are fifty percent (50%) or less of the median family income for the local area, with adjustments for family size, according to the latest figures available from the U.S. Department of Housing and Urban Development.

The Department of Economic and Community Development shall report to the General Assembly by April 1, 1993, concerning the status of the 1992 and 1993 HOME Programs and shall include in the report information on priorities met, types of activities funded, and types of activities not funded."

(b) Funds appropriated in this act to match federal HOME Program funds shall not revert to the General Fund on June 30, 1993.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

PETROLEUM OVERCHARGE FUNDS ALLOCATION

Sec. 154. Section 223 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 223. (a) The funds and interest thereon received from the case of United States v. Exxon are deposited in the Special Reserve for Oil Overcharge Funds. There is appropriated from the Special Reserve to the Department of Economic and Community Development the sum of ~~$10,900,000~~ ten million nine hundred thousand dollars ($10,900,000) for the 1991-92 fiscal year and the sum of ~~$6,001,511~~ six million one thousand five hundred eleven dollars ($6,001,511) for the 1992-93 fiscal year to be allocated as follows:

(1) $2,200,000 for the 1991-92 fiscal year and $1,200,302 for the 1992-93 fiscal year shall be used for projects under the State Energy Conservation Plan and Energy Extension Service Program:

(2) $2,500,000 for the 1991-92 fiscal year and $1,380,348 for the 1992-93 fiscal year shall be used for energy conservation programs for hospitals and schools:

(3) $3,200,000 for the 1991-92 fiscal year and ~~$1,740,438~~ $2,158,048 for the 1992-93 fiscal year shall be used for the Low Income Weatherization Program:

(4) $3,000,000 for the 1991-92 fiscal year and ~~$1,680,423~~ $1,262,813 for the 1992-93 fiscal year shall be used for the Low Income Home Energy Assistance Program (LIHEAP).

(b) There is appropriated from the funds and interest thereon received from the United States Department of Energy's Stripper Well Litigation (MDL378) which remain in the Special Reserve for Oil Overcharge Funds to the Department of Economic and Community Development the sum of ~~$4,898,489~~ four million eight hundred ninety-eight thousand four hundred eighty-nine dollars ($4,898,489) for the 1992-93 fiscal year to be allocated as follows:

(1) $999,698 shall be used for projects under the State Energy Conservation Plan and Energy Extension Service Program;

(2) $1,119,652 shall be used for energy conservation programs for hospitals and ~~schools;~~ schools; and

(3) ~~$1,459,562~~ $2,779,139 shall be used for the Low Income Weatherization ~~Program; and~~ Program.

~~(4) $1,319,577 shall be used for the Low Income Home Energy Assistance Program (LIHEAP).~~

(c) Any funds remaining in the Special Reserve for Oil Overcharge Funds after the allocations made pursuant to subsections (a) and (b) of this section may be expended only as authorized by the General Assembly. All interest or income accruing from all deposits or investments of cash balances shall be credited to the Special Reserve for Oil Overcharge Funds.

(d) The funds and interest thereon received from the Diamond Shamrock Settlement which remain in a reserve in the Office of State Budget and Management for the Division of Energy to administer the petroleum overcharge funds pursuant to Section 112 of Chapter 830 of the 1987 Session Laws shall continue to be available to the Division of Energy in the Department of Economic and Community Development on an as-needed basis.

(e) The Department of Economic and Community Development shall submit comprehensive annual reports to the General Assembly by May 15, 1992, and January 31, 1993, which detail the use of all

petroleum overcharge funds. Any State department or agency that has received petroleum overcharge funds shall provide all information requested by the Department of Economic and Community Development for the purpose of preparing these reports."

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

MAIN STREET FUND RESTRICTIONS

Sec. 155. Section 140(c) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(c) Notwithstanding G.S. 143B-472.35, the Department of Economic and Community Development shall transfer ~~$100,000~~ forty thousand dollars ($40,000) of interest earnings in the Main Street Financial Incentive Fund from the Fund to the General Fund for fiscal year ~~1991-92,~~ 1992-93. ~~The Department shall transfer funds pursuant to this subsection on July 1, 1991.~~ The Department shall transfer funds pursuant to this subsection beginning July 1, 1992, in equal payments on a quarterly basis."

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

COMMUNITY DEVELOPMENT BLOCK GRANT REPORTS

Sec. 156. The Department of Economic and Community Development shall report on a quarterly basis beginning October 1, 1992, to the House Appropriations Subcommittee on Environment, Health, and Natural Resources and the Senate Appropriations Committee on Natural and Economic Resources on the Community Development Block Grant. Each report shall include a listing and description of the most recent grant awards, the status of the administration of each component of the block grant, the current status of next year's program design, and a description of any proposed or necessary changes to the program design.

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

ECONOMIC DEVELOPMENT FUNDS

Sec. 157. (a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc., one million four hundred thousand dollars ($1,400,000) for the 1992-93 fiscal year, shall be allocated to local community development corporations. These funds shall be used to support community economic development projects and activities within the State's minority community.

Of these funds, one million one hundred thousand dollars ($1,100,000) shall be available for direct grants to the local community development corporations that have previously received State funds for this purpose to support operations and project activities, one hundred thousand dollars ($100,000) shall be available for direct grants to local community development corporations that have not previously received State funds for this purpose to support operations and project activities, fifty thousand dollars ($50,000) shall be used for the Community Development Housing Counseling Demonstration Project, and one hundred fifty thousand dollars ($150,000) shall be a direct grant to the North Carolina Association of Community Development Corporations, to support project activities and to fund the North Carolina Association of Community Development Corporations' loan fund. If funds allocated under this subsection for direct grants to community development corporations that have previously received State funds have not been committed for direct grants by the North Carolina Rural Economic Development Center by March 31, 1993, then such uncommitted funds shall be used for direct grants to community development corporations that have not previously received State funds. The North Carolina Rural Economic Development Center, Inc., shall establish and implement performance-based criteria for determining which community development corporations will receive a grant and the grant amounts.

The North Carolina Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of the funds allocated in this subsection.

For purposes of this subsection, the term "community development corporation" means a nonprofit corporation:

(1) Chartered pursuant to Chapter 55A of the General Statutes;
(2) Tax-exempt pursuant to section 501(c)(3) of the Internal Revenue Code;
(3) Whose primary mission is to develop and improve low-income communities and neighborhoods through economic and related development;
(4) Whose activities and decisions are initiated, managed, and controlled by the constituents of those local communities; and
(5) Whose primary function is to act as deal maker and packager of projects and activities that will increase their constituencies' opportunities to become owners, managers, and producers of small businesses, affordable housing, and jobs designed to produce positive cash flow and curb blight in the target community.

(b) Of the funds appropriated in this act to the Office of State Budget and Management, three hundred thousand dollars ($300,000) for the 1992-93 fiscal year shall be allocated for the Land Loss Prevention Project, Inc., to provide free legal representation to low-income financially distressed small farmers. The Land Loss Prevention Project, Inc., shall not use these funds to represent farmers who have income and assets that would make them financially ineligible for legal services pursuant to Title 45, Part 1611 of the Code of Federal Regulations. The Land Loss Prevention Project, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(c) Of the funds appropriated in this act to the Office of State Budget and Management, two hundred fifty thousand dollars ($250,000) for the 1992-93 fiscal year shall be allocated for the North Carolina Coalition of Farm and Rural Families, Inc., for its Small Farm Economic Development Project. These funds shall be used to foster economic development within the State's rural farm communities by offering financial, marketing, and technical assistance to small and limited resource farmers. The North Carolina Coalition of Farm and Rural Families, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(d) Of the funds appropriated in this act to the Office of State Budget and Management, two hundred thousand dollars ($200,000) for the 1992-93 fiscal year shall be allocated to the North Carolina Institute for Minority Economic Development, Inc., to foster minority economic development within the State through policy analysis, information and technical assistance, and resource expansion. The North Carolina Institute for Minority Economic Development, Inc., shall research and identify key issues affecting the economic well-being of the State's ethnic minority community and issue annual reports with appropriate recommendations; provide information and technical assistance to organizations with minority economic development-based projects in common areas of need and interests; develop a resource bank of data and information; facilitate training in appropriate areas of need; and provide technical assistance to minority construction contractors. The North Carolina Institute for Minority Economic Development, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(e) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc., one hundred thousand dollars ($100,000) for the 1992-93 fiscal year shall be allocated to the North Carolina Minority Credit Union Support Center, Inc., for

operational and administrative support. The North Carolina Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(f) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc., six hundred fifty thousand dollars ($650,000) for the 1992-93 fiscal year shall be used to expand the Microenterprise Loan Program. Of these funds, no less than four hundred thousand dollars ($400,000) shall be used as loan loss reserves and no more than two hundred fifty thousand dollars ($250,000) shall be used to cover operational costs. The North Carolina Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(g) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc., fifty thousand dollars ($50,000) for the 1992-93 fiscal year shall be used for its expenses in administering this section. The Office of State Budget and Management shall allot the funds pursuant to subsections (e) and (f) of this section in increments of not less than two hundred thousand dollars ($200,000) and not more than three hundred twenty-five thousand dollars ($325,000) within 30 working days of the receipt of the Center's request for the funds. The North Carolina Rural Economic Development Center, Inc., shall distribute the funds pursuant to subsections (e) and (f) of this section immediately upon allotment by the Office of State Budget and Management.

(h) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc., seventy-five thousand dollars ($75,000) for the 1992-93 fiscal year shall be allocated as follows:

(1) $25,000 to the Opportunities Industrialization Center of Wilson, Inc., for its on-going training programs; and
(2) $25,000 to Opportunities Industrialization Center, Inc., in Rocky Mount, for its on-going training programs; and
(3) $25,000 to Pitt-Greenville Opportunities Industrialization Center, Inc., for its on-going job training programs.

The North Carolina Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of funds allocated in this subsection.

(i) The Rural Economic Development Center, Inc., shall not distribute funds under subsections (a), (e), (f), and (h) of this section unless and until the entities eligible for funds under these subsections have met the requirements of G.S. 143-6.1.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

NORTH CAROLINA TECHNOLOGICAL DEVELOPMENT AUTHORITY

Sec. 158. Section 154.1(g) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(g) Effective September 1, 1991:

(1) The below described land and improvements, formerly known as the 'Science and Technology Research Center', together with property installed in the building and other movable equipment and supplies shall be transferred by the State of North Carolina to The North Carolina Technological Development Authority, Inc.: BEGINNING at an iron pin located at North Carolina Grid Coordinate, north 783,348.879 east 2,041,863.310; runs thence South 9 degrees 17 minutes West 261.50 feet to an iron pin; runs thence North 67 degrees 54 minutes West 698 feet to an iron pipe; runs thence North 37 degrees 50 minutes East 48.50 feet to an iron pin; runs thence North 45 degrees 50 minutes East 340.00 feet to an iron pin; runs thence North 13 degrees 18 minutes East 345.72 feet to an iron pin in the southern line of Cornwallis Road; runs thence along the southern line of Cornwallis Road along a slight curve having a diameter of 4 degrees 00 minutes, a tangent of 411.55 feet to a radius of 1,432.69 feet a distance of 363.82 feet to an iron pin located in the southern line of Cornwallis Road; thence continuing along the southern line of Cornwallis Road South 65 degrees 52 minutes East 63.47 feet to a concrete monument; thence along the right of way of Cornwallis Road and Davis Drive South 26 degrees 42 minutes East 72.60 feet to a concrete monument; thence along the western line of the right of way of Davis Drive along a slight curve having a diameter of 1 degree 00 minutes a tangent of 351.27 feet and a radius of 5,730.34 feet a distance of 342.05 feet to an iron pin at the point and place of BEGINNING and containing 8 acres according to a deed recorded in the Office of the Register of Deeds of Durham County, North Carolina, in Book 30, pages 378-380.

(2) The transfer made by this section shall be evidenced by a deed executed under G.S. 146-75 and registered in accordance with G.S. 146-77. The deed shall provide that the property transferred by this section shall automatically revert to the State of North Carolina if the property is used

for any purposes other than the purposes set forth in subdivision (3).

(3) The transfer made by this section is made on the condition that the North Carolina Technological Development Authority, Inc., shall use the property described in subdivision (1) solely as a business incubator serving technology research-based entrepreneurial companies in the Research Triangle Park. If the North Carolina Technological Development Authority, Inc., ceases to use the property for the purposes described in this section, then the property shall automatically revert to the State of North Carolina. Use of the property described in subdivision (1) of this subsection pursuant to any prior instrument of occupancy in which the State of North Carolina is grantor of the property right and that is in force immediately prior to September 1, 1991, shall be deemed use of the property for purposes described in this section to the extent of use during the original term of the prior instrument of occupancy or any renewal or extension thereof."

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

HAZARDOUS WASTE MANAGEMENT COMMISSION RESERVE

Sec. 159. (a) On July 1, 1992, the sum of one hundred eighty-three thousand seven hundred nineteen dollars ($183,719) appropriated to the Department of Economic and Community Development for the North Carolina Hazardous Waste Management Commission for the 1992-93 fiscal year shall be transferred to a reserve in the Office of State Budget and Management. In the event the Director of the Budget determines that there is a need to site an authorized hazardous waste facility pursuant to Chapter 130B of the General Statutes, the Office of State Budget and Management shall transfer up to the sum of one hundred eighty-three thousand seven hundred nineteen dollars ($183,719) in this reserve to the Department of Economic and Community Development for the North Carolina Hazardous Waste Management Commission for the 1992-93 fiscal year to perform only those duties under G.S. 130B-7 that directly relate to site selection of an authorized hazardous waste facility pursuant to G.S. 130B-11.

(b) Of the funds appropriated to the Department of Economic and Community Development for the 1992-93 fiscal year for the Hazardous Waste Management Commission, not more than fifty-three thousand dollars ($53,000) may be used for completing current projects, phasing out the Commission's activities, and satisfying

contractual obligations, including salaries and other encumbrances. Funds for these purposes may be expended through December 31, 1992.

PART 24. DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

DEMONSTRATION PROJECT FOR VOLUNTARY REMEDIAL ACTIONS

Sec. 160. (a) During the 1992-93 fiscal year, the Secretary of the Department of Environment, Health, and Natural Resources may contribute from the Inactive Hazardous Sites Cleanup Fund up to ten percent (10%) of the cost, not to exceed fifty thousand dollars ($50,000) per site, of implementing a voluntary remedial action program at up to three high priority sites that substantially endanger public health or the environment.

(b) No later than April 1, 1993, the Department of Environment, Health, and Natural Resources shall report to the General Assembly. This report shall contain the location of the sites for which a voluntary remedial action program was implemented, the rationale for the State contributing to the cost of the remedial action, the cost of the remedial action, and the amount of the contribution made from the Inactive Hazardous Sites Cleanup Fund.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

INCREASE USE OF SEDIMENTATION FEES

Sec. 161. Section 226(b) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(b) If the revenues received pursuant to G.S. 113A-54.2 exceed the amount in anticipated revenues from this source for the 1991-92 fiscal year or the 1992-93 fiscal year, then the Department of Environment, Health, and Natural Resources may use up to ~~$140,000~~ one hundred forty thousand dollars ($140,000) of this revenue for the 1991-92 fiscal year and up to ~~$160,000~~ two hundred twenty thousand dollars ($220,000) of this revenue for the 1992-93 fiscal year for education, erosion control plan approval, and compliance activities in the Sedimentation Control Program, including salaries and necessary support, in the Division of Land Resources. These funds are in addition to any other funds appropriated for this purpose."

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

CLEAN AIR ACT PERMIT FEES

Sec. 162. Section 228 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 228. There is appropriated from the Title V nonreverting account established in G.S. 143-215.3A to the Department of Environment, Health, and Natural Resources the sum of ~~$999,855~~ nine hundred ninety-nine thousand eight hundred fifty-five dollars ($999,855) for the 1991-92 fiscal year and the sum of ~~$3,992,390~~ four million six hundred ninety-two thousand three hundred ninety dollars ($4,692,390) for the 1992-93 fiscal year to be used for the development and implementation of the Title V program in accordance with G.S. 143-215.3A; provided, however, if the revenues raised from Chapter 552 of the 1991 Session Laws are less than ~~$999,855~~ nine hundred ninety-nine thousand eight hundred fifty-five dollars ($999,855) for the 1991-92 fiscal year or are less than ~~$3,992,390~~ four million six hundred ninety-two thousand three hundred ninety dollars ($4,692,390) for the 1992-93 fiscal year, then the appropriation is reduced accordingly."

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

USE OF FOOD AND LODGING FEES

Sec. 163. If the revenues received pursuant to G.S. 130A-248(d) exceed the amount in anticipated revenues from this source for the 1992-93 fiscal year, then the Department of Environment, Health, and Natural Resources may use up to eleven thousand six hundred dollars ($11,600) of this revenue for the 1992-93 fiscal year for the restaurant and lodging fee collection program in accordance with G.S. 130A-248(d). These funds are in addition to any other funds appropriated for this purpose.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

AUTHORIZE USE OF WATER QUALITY FEES

Sec. 164. Section 158 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 158. There is appropriated from the nonreverting account established in G.S. 143-215.3A to the Department of Environment, Health, and Natural Resources a sum not to exceed ~~$2,124,142~~ two million one hundred twenty-four thousand one hundred forty-two dollars ($2,124,142) for the 1991-92 fiscal year and a sum not to exceed ~~$2,148,017~~ two million six hundred thousand dollars

($2,600,000) for the 1992-93 fiscal year for the salaries and the necessary support for up to 49 positions for the 1991-92 fiscal year and for up to 59 positions for the 1992-93 fiscal year in the water quality program. Water quality fees shall be the only source of funds for these positions and all necessary support. These positions shall be used to reduce the backlog of permit applications and to improve the rate of compliance of facilities with environmental standards for toxic substances."

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

OFFICE OF MINORITY HEALTH

Sec. 165. (a) The Office of Minority Health of the Department of Environment, Health, and Natural Resources for which funds have been appropriated in this act, shall have, but is not limited to, the following duties and responsibilities:

(1) Develop public health policies that promote improvement in minority health status and minority access to public health services;

(2) Develop monitoring, tracking, and reporting mechanisms for programs and services with minority health goals and objectives;

(3) Provide periodic progress reports on the office and the advisory council activities to the Governor, the General Assembly, and the Secretary of the Department of Environment, Health, and Natural Resources;

(4) Contact local health departments, community-based organizations, voluntary health organizations, and other public and private organizations statewide, on an ongoing basis, to learn more about their services to the minority communities, the health problems, and their ideas for improving minority health;

(5) Promote local health department minority health services and community outreach by holding public meetings and community forums, and participating in community-sponsored activities;

(6) Offer technical assistance and consultation to local health departments and community-based organizations in such areas as grant writing and conference planning;

(7) Assist local health departments and community-based organizations in identifying potential funding sources and other community resources;

(8) Promote communication across all State agencies that provide services to minority populations;

(9) Improve methods for collecting and reporting data on minority health; and

(10) Serve as a liaison to other states, the federal government, and national organizations.

(b) Funds appropriated in this act to the Department of Environment, Health, and Natural Resource for the Office of Minority Health and for the Minority Health Advisory Council shall be used for the following:

(1) Three positions in the Office of Minority Health, which shall include a Director of the Office of Minority Health; and

(2) Related support for the positions authorized in subdivision (1); and

(3) Expenses and related support for the Minority Health Advisory Council.

(c) The Department of Environment, Health, and Natural Resources shall report quarterly, beginning October 1, 1992, to the Joint Legislative Commission on Governmental Operations regarding the establishment and activities of the Office of Minority Health and of the Minority Health Advisory Council, including the status of the health of minorities in North Carolina.

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

MINORITY HEALTH ADVISORY COUNCIL

Sec. 166. Chapter 130A of the General Statutes is amended by adding the following new sections to read:

"*§ 130A-33.43. Minority Health Advisory Council.*

There is established the Minority Health Advisory Council in the Department of Environment, Health, and Natural Resources. The Council shall have the following duties and responsibilities:

(1) To make recommendations to the Governor and the Secretary of Environment, Health, and Natural Resources aimed at improving the health status of North Carolina's minority populations;

(2) To identify and examine the limitations and problems associated with existing laws, regulations, programs and services related to the health status of North Carolina's minority populations;

(3) To examine the financing and access to health services for North Carolina's minority populations;

(4) To identify and review health promotion and disease prevention strategies relating to the leading causes of death and disability among minority populations; and

(5) To advise the Governor and the Secretary of Environment, Health, and Natural Resources upon any matter which the Governor or Secretary may refer to it.

"*§ 130A-33.44. Minority Health Advisory Council - members; selection; quorum; compensation.*

(a) The Minority Health Advisory Council in the Department of Environment, Health, and Natural Resources shall consist of 15 members to be appointed as follows:

(1) Five members shall be appointed by the Governor. Members appointed by the Governor shall be representatives of the following: health care providers, public health, health related public and private agencies and organizations, community-based organizations, and human resources agencies and organizations.

(2) Five members shall be appointed by the Speaker of the House of Representatives, two of whom shall be members of the House of Representatives, and at least one of whom shall be a public member. The remainder of the Speaker's appointees shall be representative of any of the entities named in subdivision (1) of this section.

(3) Five members shall be appointed by the President Pro Tempore of the Senate, two of whom shall be members of the Senate, and at least one of whom shall be a public member. The remainder of the President Pro Tempore's appointees shall be representative of any of the entities named in subdivision (1) of this section.

(4) Of the members appointed by the Governor, two shall serve initial terms of one year, two shall serve initial terms of two years, and one shall serve an initial term of three years. Thereafter, the Governor's appointees shall serve terms of four years.

(5) Of the nonlegislative members appointed by the Speaker of the House of Representatives, two shall serve initial terms of two years, and one shall serve an initial term of three years. Thereafter, nonlegislative members appointed by the Speaker of the House of Representatives shall serve terms of four years. Of the nonlegislative members appointed by the President Pro Tempore of the Senate, two shall serve initial terms of two years, and one shall serve an initial term of three years. Thereafter, nonlegislative members appointed by the President Pro Tempore of the Senate shall serve terms of four years. Legislative members of the Council shall serve two-year terms.

(b) The Chairperson of the Council shall be elected by the Council from among its membership.

(c) The majority of the Council shall constitute a quorum for the transaction of business.

(d) Members of the Council shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5 or G.S. 138-6, or travel and subsistence expenses in accordance with the provisions of G.S. 120-3.1, as applicable.

(e) All clerical support and other services required by the Council shall be provided by the Department of Environment, Health, and Natural Resources."

Requested by: Senators Martin of Pitt, Kaplan, Representatives McAllister, Ethridge, H. Hunter

NON-MEDICAID REIMBURSEMENT

Sec. 167. Section 172 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 172. Providers of medical services under the various State programs other than Medicaid offering medical care to citizens of the State shall be reimbursed at rates no more than those under the North Carolina Medical Assistance Program.

The Department of Environment, Health, and Natural Resources may reimburse hospitals at the full prospective per diem rates without regard to the Medical Assistance Program's annual limits on hospital days. When the Medical Assistance Program's per diem rates for inpatient services and its interim rates for outpatient services are used to reimburse providers in non-Medicaid medical service programs, retroactive adjustments to claims already paid shall not be required.

Notwithstanding the provisions of paragraph one of this section, the Department of Environment, Health, and Natural Resources may negotiate with providers of medical services under the various Environment, Health, and Natural Resources programs, other than Medicaid, for rates as close as possible to Medicaid rates for the following purposes: contracts or agreements for medical services and purchases of medical equipment and other medical supplies. These negotiated rates are allowable only to meet the medical needs of its non-Medicaid eligible patients, residents and clients who require such services which cannot be provided when limited to the Medicaid rate.

Maximum net family annual income eligibility standards for services in these programs with the exception of Migrant Health, School Health, AIDS Drug Reimbursement Program, diagnostic assessment for infants with sickle cell syndrome, Women's Preventive Health, and Home Health shall be as follows:

Family Size	Kidney	All Other
1	$ 6,400	$ 4,200
2	8,000	5,300
3	9,600	6,400
4	11,000	7,500
5	12,000	7,900
6	12,800	8,300
7	13,600	8,800
8	14,400	9,300

The eligibility level each fiscal year for outpatient services for all clients and for inpatient services for children under the age of ~~5~~ 8, in the Children's Special Health Services Program shall be one hundred percent (100%) of the federal poverty guidelines as revised annually by the United States Department of Health and Human Services, in effect on July 1 of each fiscal year.

The eligibility level each fiscal year for outpatient services covered by the Sickle Cell Program shall be one hundred percent (100%) of the federal poverty guidelines, as revised annually by the United States Department of Health and Human Services, in effect on July 1 of each fiscal year."

Requested by: Senators Martin of Pitt, Kaplan, Walker, Representatives Diamont, Ethridge, H. Hunter

INFANT MORTALITY PROGRAM FUNDS

Sec. 168. (a) The Department of Environment, Health, and Natural Resources, Division of Maternal and Child Health, in conjunction with the Department of Human Resources, Division of Social Services, Division of Medical Assistance, and Office of Rural Health and Resource Development, the Child Fatality Task Force, and other relevant community groups, shall develop parenting education protocols which focus on the care of newborns, early growth and development, the importance of preventive health care services, early self-esteem, injury prevention, and stress reduction; and shall develop criteria for determining families at risk of child abuse and neglect for whom parenting education would be effective.

(b) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, Division of Maternal and Child Health, the sum of twenty-five thousand dollars ($25,000) for the 1992-93 fiscal year shall be used to cover the development costs of the parenting education protocols. The development shall include an investigation of currently available protocols, issues regarding their utilization, and methods of evaluation.

(c) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, Division of Maternal and Child Health, the sum of fifty thousand dollars ($50,000) for the 1992-93 fiscal year shall be used to establish four comprehensive adolescent health care demonstration projects. Existing and proposed adolescent health care clinics shall be eligible applicants for the comprehensive adolescent health care demonstration projects with first priority given to existing adolescent health care clinics. To receive funding, each project must arrange for or provide preventive and primary medical care, and mental health services, and shall be developed with the participation of the public schools, the health department, the area mental health programs, the community migrant and rural health centers, and private physicians.

(d) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, Division of Maternal and Child Health, the sum of twenty-five thousand dollars ($25,000) for the 1992-93 fiscal year shall be used to contract with The University of North Carolina Center on Early Adolescence to provide technical assistance to and evaluate existing adolescent health care clinics and to assist other counties in developing adolescent health care services.

(e) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, Division of Epidemiology, the sum of nine hundred fifty thousand dollars ($950,000) for the 1992-93 fiscal year shall be used to provide required childhood vaccinations to children cared for at community, migrant, and rural health centers and to provide required vaccines for medically indigent, non-Medicaid eligible children seen in private physicians' offices, as defined in rules adopted by the Commission for Health Services.

(f) Funds appropriated in this act to the Department of Environment, Health, and Natural Resources, Division of Maternal and Child Health, to inform the public on the dangers to the mother and developing fetus of alcohol, cocaine, and other substances, shall be used by the Department to support the activities of the FIRST STEP CAMPAIGN to inform the public about substance abuse and other high-risk behaviors that contribute to infant mortality and morbidity.

(g) State funds appropriated for the Special Supplemental Food Program for Women, Infants, and Children may be used to contribute the required State match if federal funds become available for the WIC farmers' market project.

(h) The North Carolina Adolescent Pregnancy Prevention Coalition shall report annually, not later than April 1 of each year, to

the Joint Legislative Commission on Governmental Operations. This report shall include information on activities during the past fiscal year and itemized expenditures during the past fiscal year with sources of funding.

Requested by: Senators Martin of Pitt, Kaplan, Representatives Diamont, Ethridge, H. Hunter

CHILD FATALITY TASK FORCE CHANGES

Sec. 169. (a) G.S. 143-577(b) reads as rewritten:

"(b) The Task Force shall provide ~~a final report~~ updated reports to the Governor and General Assembly within the first week of the convening of the 1993 General ~~Assembly.~~ Assembly and within the first week of the convening of the 1994 Session of the 1993 General Assembly. The Task Force shall provide a final report to the Governor and General Assembly within the first week of the convening of the 1995 General Assembly. The final report shall include final conclusions and recommendations for each of the Task Force's duties, as well as any other recommendations for changes to any law, rule, and policy that it has determined will promote the safety and well-being of children. Any recommendations of changes to law, rule, or policy shall be accompanied by specific legislative or policy proposals and detailed fiscal notes setting forth the costs to the State."

(b) G.S. 143-573(b) reads as rewritten:

"(b) The Task Force shall be composed of ~~25~~ 29 members, 12 of whom shall be ex officio members, three of whom shall be appointed by the Governor, ~~and eight~~ seven of whom shall be appointed by the ~~General Assembly.~~ Speaker of the House of Representatives, and seven of whom shall be appointed by the President Pro Tempore of the Senate. ~~upon recommendation of the Speaker of the House of Representatives and four upon recommendation of the President Pro Tempore of the Senate.~~ The ex officio members other than the Chief Medical Examiner may designate representatives from their particular departments, divisions, or offices to represent them on the Task Force. The members shall be as follows:

(1) The Chief Medical Examiner;
(2) The Attorney General;
(3) The Director of the Division of Social Services;
(4) The Director of the State Bureau of Investigation;
(5) The Director of the Division of Maternal and Child Health of the Department of Environment, Health, and Natural Resources;
(6) The Director of the Governor's Youth Advocacy and Involvement Office;
(7) The Superintendent of Public Instruction;

(8) The ~~President~~ Chairman of the State Board of Education;

(9) The Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services;

(10) The Secretary of the Department of Human Resources;

(11) The Secretary of the Department of Environment, Health, and Natural Resources;

(11.1) The Director of the Administrative Office of the Courts;

(12) A director of a county department of social services appointed by the Governor upon recommendation of the President of the North Carolina Association of County Directors of Social Services;

(13) A representative from a Sudden Infant Death Syndrome counseling and education program appointed by the Governor upon recommendation of the Director of the Division of Maternal and Child Health of the Department of Environment, Health, and Natural Resources;

(14) A representative from the North Carolina Child Advocacy Institute appointed by the Governor upon recommendation of the President of the Institute;

(15) A representative from a private group, other than the North Carolina Child Advocacy Institute, that advocates for children, appointed by ~~the General Assembly upon recommendation of~~ the Speaker of the House of Representatives upon recommendation of private child advocacy organizations;

(16) A pediatrician, licensed to practice medicine in North Carolina, appointed by the ~~General Assembly upon recommendation of the~~ Speaker of the House of Representatives upon recommendation of the North Carolina Pediatric Society;

(17) A representative from the North Carolina League of Municipalities appointed by the ~~General Assembly upon recommendation of the~~ Speaker of the House of Representatives upon recommendation of the League;

(18) Two public members appointed by the ~~General Assembly upon recommendation of the~~ Speaker of the House of Representatives;

(19) A county or municipal law enforcement officer appointed by the ~~General Assembly upon recommendation of the~~ President Pro Tempore of the Senate upon recommendation of organizations that represent local law enforcement officers;

(20) A district attorney appointed by the ~~General Assembly upon the recommendation of the~~ President Pro Tempore of the Senate upon recommendation of the President of the North Carolina Conference of District Attorneys;

(21) A representative from the North Carolina Association of County Commissioners appointed by the ~~General Assembly upon recommendation of the~~ President Pro Tempore of the Senate upon recommendation of the Association; ~~and~~

(22) Two public members appointed by the ~~General Assembly upon recommendation of the~~ President Pro Tempore of the Senate; and

(23) Two members of the Senate appointed by the President Pro Tempore of the Senate and two members of the House of Representatives appointed by the Speaker of the House of Representatives."

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

ON-SITE SEWAGE POSITIONS

Sec. 170. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the 1992-93 fiscal year, the sum of one hundred seventy-six thousand one hundred fifty dollars ($176,150) shall be used to establish three positions in the On-Site Sewage Program to serve counties in Eastern North Carolina. These positions shall be used to provide technical assistance to local health departments and landowners for use of conventional or alternative septic systems and to owners of failing septic systems. The positions may also provide engineering review of large or innovative on-site subsurface sewage systems and may provide engineering support to local health departments.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

PARKS RECEIPTS

Sec. 171. The Department of Environment, Health, and Natural Resources shall use any overrealized receipts from the Division of Parks and Recreation's sale of pine straw, timber, or any other forest products for the maintenance of the State parks and State reservoirs.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

WILDLIFE RESOURCES COMMISSION LONG-RANGE BUDGET PLAN

Sec. 172. (a) The Wildlife Resources Commission shall prepare a long-range budget plan for review and consideration by the General Assembly. The budget plan shall include:

(1) An analysis of revenues and expenditures from the 1986-87 fiscal year through the 1991-92 fiscal year identifying: (i) the major revenue sources and expenditure items within each program or division; (ii) the major increases or decreases in revenues and expenditures over the period and the rationale for these changes; and (iii) those wildlife programs or divisions that have experienced significant growth in expenditures since the 1986-87 fiscal year;

(2) An inventory and analysis of all revenue sources, including the North Carolina Wildlife Endowment Fund, that identifies: (i) funds that may be used only for specific purposes; and (ii) funds that may be used for general program purposes;

(3) Revenue and expenditure projections for the 1992-93 through 1996-97 fiscal years, by program and major budget objects; and

(4) Long-term options for funding the operations of the Wildlife Resources Commission, including: (i) revenue increases, including increased license fees, subscription fees, and registration fees; use of interest from the North Carolina Wildlife Endowment Fund; and increases in the General Fund from sales tax and any other General Fund monies; and (ii) operating and capital expenditure reductions.

(b) The Wildlife Resources Commission shall prepare a report incorporating its long-range budget plan, including all components of this plan as set forth in subsection (a) of this section, and shall transmit this report to the General Assembly and the Fiscal Research Division by January 12, 1993.

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

DARE BOAT ACCESS FUNDS

Sec. 173. The Wildlife Resources Commission may use up to four hundred thousand dollars ($400,000) in funds available to the Commission for the 1992-93 fiscal year for construction of a boating access area at the Washington Baum Bridge in Dare County.

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

PILOT PROGRAM/COUNTY JAIL INMATES WORK IN STATE PARKS

Sec. 174. Of the funds appropriated to the Department of Environment, Health, and Natural Resources, Division of Parks and Recreation, for the 1992-93 fiscal year in this act, the sum of one hundred thousand dollars ($100,000) shall be allocated for a pilot program for county sheriffs' departments to provide supervision for county inmates to provide primarily repair and maintenance services to the State parks. The Division shall select five State parks to participate in this program. Each county sheriff's department in a county in which one of the five selected State parks is located shall receive up to twenty thousand dollars ($20,000) for the cost of providing supervision of the county jail inmates.

PART 25. DEPARTMENT OF AGRICULTURE

Requested by: Senators Martin of Pitt, Johnson, Kaplan, Representatives Ethridge, H. Hunter

AGRICULTURAL MUSEUM PROPERTY DISPOSITION

Sec. 175. Chapter 106 of the General Statutes is amended by adding a new section to read:

"*§ 106-22.2. Museum of Natural Sciences; Maritime Museum; disposition of objects.*

Notwithstanding Article 3A of Chapter 143 of the General Statutes, G.S. 143-49(4), or any other law pertaining to surplus State property, the Department of Agriculture may sell or exchange any object from the collections of the Museum of Natural Sciences and the Maritime Museum when it would be in the best interests of the Museums to do so. Sales or exchanges shall be conducted in accordance with generally accepted practices for accredited museums. If an object is sold, the net proceeds of the sale shall be deposited in the State treasury to the credit of a special fund to be used for the improvement of the Museums' collections or exhibits."

Requested by: Senators Martin of Pitt, Kaplan, Representatives Ethridge, H. Hunter

EXTEND TIME PERIOD THAT GRAPE COUNCIL FUNDS DO NOT REVERT

Sec. 176. (a) Section 8 of Chapter 812 of the 1991 Session Laws is repealed.

(b) Section 12(b) of Chapter 1036 of the 1987 Session Laws reads as rewritten:

"(b) This section ~~shall remain in effect until July 1, 1991,~~ shall terminate June 30, 1997."

(c) This section is effective on and after June 30, 1992.

PART 26. MISCELLANEOUS PROVISIONS

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

EXECUTIVE BUDGET ACT APPLIES

Sec. 177. The provisions of the Executive Budget Act, Chapter 143, Article 1 of the General Statutes are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

COMMITTEE REPORT

Sec. 178. (a) The Joint Appropriations Committee Senate/House 1992-93 Budget Conference Report, dated July 8, 1992, which was distributed in the House of Representatives and the Senate and used to explain this act, shall indicate action by the General Assembly on this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for these purposes shall be considered a part of this act.

(b) The line item budget enacted by the General Assembly for the maintenance of the various departments, institutions, and other spending agencies of the State for the 1991-93 fiscal biennium is described in Section 351 of Chapter 689 of the 1991 Session Laws, as amended by Section 6 of Chapter 812 of the 1991 Session Laws, in which the General Assembly amended the budget enacted by the 1991 Regular Session of the General Assembly for the 1992-93 fiscal year by making modifications including the base budget cuts and expansion budget additions that are set out in the Joint Appropriations Committee Senate/House 1992-93 Budget Conference Report, dated July 8, 1992. The line item detail in the budget enacted by the General Assembly for the 1992-93 fiscal year may be derived accordingly.

The budget modifications enacted by the General Assembly in this act shall also be interpreted in accordance with the special provisions in this act and in accordance with other appropriate legislation.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

MOST TEXT APPLIES ONLY TO 1992-93

Sec. 179. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 1992-93 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 1992-93 fiscal year.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

1991-92 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY

Sec. 180. (a) Except where expressly repealed or amended by this act, the provisions of Chapters 689, 761, and 812 of the 1991 Session Laws remain in effect.

(b) Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1992-93 fiscal year in Chapters 689, 761, and 812 of the 1991 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations and budget reductions of this act for those same particular purposes.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

EFFECT OF HEADINGS

Sec. 181. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

SEVERABILITY CLAUSE

Sec. 182. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

EFFECTIVE DATE

Sec. 183. Except as otherwise provided, this act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.B. 51 **CHAPTER 901**

AN ACT TO MODIFY THE FUNERAL AND BURIAL TRUST FUND ACT.

The General Assembly of North Carolina enacts:

Section 1. Article 13B of Chapter 90 of the General Statutes is repealed.

Sec. 2. Chapter 90 of the General Statutes is amended by adding the following new Article to read:

"ARTICLE 13D.

"Funeral and Burial Trust Funds.

"*§ 90-210.60. Definitions.*

As used in this Article, unless the context requires otherwise:

(1) 'Board' means the North Carolina Board of Mortuary Science as created pursuant to Article 13A of Chapter 90 of the General Statutes;

(2) 'Financial institution' means a bank, trust company, savings bank, or savings and loan association authorized by law to do business in this State;

(3) 'Insurance company' means any corporation, association, partnership, society, order, individual or aggregation of individuals engaging in or proposing or attempting to engage as principals in any kind of insurance business, including the exchanging of reciprocal or interinsurance contracts between individuals, partnerships, and corporations.

(4) 'Prearrangement insurance policy' means a life insurance policy, annuity contract, or other insurance contract, or any series of contracts or agreements in any form or manner, issued by an insurance company authorized by law to do business in this State, which, whether by assignment or otherwise, has for a purpose the funding of a preneed funeral contract or an insurance-funded funeral or burial prearrangement, the insured or annuitant being the person for whose service the funds were paid;

(5) 'Preneed funeral contract' means any contract, agreement, or mutual understanding, or any series or combination of contracts, agreements, or mutual understandings, whether funded by trust deposits or prearrangement insurance policies, or any combination thereof, which has for a purpose the furnishing or performance of funeral services, or the furnishing or delivery of personal property, merchandise, or services of any nature in connection with the final disposition of a dead human body, to be furnished

or delivered at a time determinable by the death of the person whose body is to be disposed of, but does not mean the furnishing of a cemetery lot, crypt, niche, or mausoleum;

(6) 'Preneed funeral contract beneficiary' means the person upon whose death the preneed funeral contract will be performed; this person may also be the purchaser of the preneed funeral contract;

(7) 'Preneed funeral funds' means all payments of money made to any person, partnership, association, corporation, or other entity upon any preneed funeral contract or any other agreement, contract, or prearrangement insurance policy, or any series or combination of preneed funeral contracts or any other agreements, contracts, or prearrangement insurance policies, but excluding the furnishing of cemetery lots, crypts, niches, and mausoleums, which have for a purpose or which by operation provide for the furnishing or performance of funeral or burial services, or the furnishing or delivery of personal property, merchandise, or services of any nature in connection with the final disposition of a dead human body, to be furnished or delivered at a time determinable by the death of the person whose body is to be disposed of, or the providing of the proceeds of any insurance policy for such use;

(8) 'Preneed funeral planning' means offering to sell or selling preneed funeral contracts, or making other arrangements prior to death for the providing of funeral services or merchandise;

(9) 'Preneed licensee' means a funeral establishment which has applied for and has been granted a license to sell preneed funeral contracts under the Article. Such license is also referred to in this Article as a 'preneed funeral establishment license.'

"*§ 90-210.61. Deposit or application of preneed funeral funds.*

(a) Preneed funeral funds are subject to the provisions of this Article and shall be deposited or applied as follows:

(1) If the preneed funeral contract purchaser chooses to fund the preneed funeral contract by a trust deposit or deposits, the preneed licensee shall deposit all funds in an insured account in a financial institution, in trust, in the preneed licensee's name as trustee within five business days. The preneed licensee, at the time of making the deposit as trustee, shall furnish to the financial institution the name of each preneed funeral contract purchaser and the amount of

payment on each for which the deposit is being made. The preneed licensee may establish an individual trust fund for each preneed funeral contract or a common trust fund for all preneed funeral contracts. The trust accounts shall be carried in the name of the preneed licensee as trustee, but accounting records shall be maintained for each individual preneed funeral contract purchaser showing the amounts deposited and invested, and interest, dividends, increases, and accretions earned. Except as provided in this Article, all interest, dividends, increases, or accretions earned by the funds shall remain with the principal. The trust fund may be charged with applicable taxes and for reasonable charges paid by the trustee to itself or others for the preparation of fiduciary tax returns. Penalties charged by a financial institution for early withdrawals caused by a transfer pursuant to G.S. 90-210.63 shall be paid by the preneed licensee. Penalties charged as a result of other early withdrawals as permitted by this Article shall be paid from the trust fund, and the financial institution shall give the preneed funeral contract purchaser prompt notice of these penalties.

(2) Notwithstanding any other provision of law, if a preneed funeral contract is funded by a trust deposit or trust deposits, a preneed licensee may retain, free of the trust, up to ten percent (10%) of any payments made on a preneed funeral contract, provided that the preneed licensee fully discloses in writing in advance to the preneed funeral contract purchaser the percentage of the payments to be retained. If there is no substitution pursuant to G.S. 90-210.63(a), the preneed licensee shall give credit for the amount retained upon the death of the preneed funeral contract beneficiary and performance of the preneed funeral contract.

(3) If the preneed funeral contract purchaser chooses to fund the contract by a prearrangement insurance policy, the preneed licensee shall apply all funds received for this purpose to the purchase of the prearrangement insurance policy within five business days. The preneed licensee shall notify the insurance company of the name of each preneed funeral contract purchaser and the amount of each payment when the prearrangement insurance policy or policies are purchased.

(b) Except as provided by this Article or by the preneed funeral contract, all payments made by the purchaser of a preneed funeral contract or prearrangement insurance policy shall remain trust funds

within a financial institution or as paid insurance premiums with an insurance company, as the case may be, until the death of the preneed funeral contract beneficiary and until full performance of the preneed funeral contract.

(c) Each preneed licensee may establish and maintain with a financial institution of its choice, a preneed funeral fund clearing account. Preneed funeral funds received by a preneed licensee may be deposited and held in such an account until disbursed by the preneed licensee to fund a preneed funeral contract pursuant to subdivisions (a)(1) or (a)(3) of this section. This account shall be used solely for the receipt and disbursement of preneed funeral funds.

(d) Funds deposited in trust under a revocable standard preneed funeral contract may, with the written permission of the preneed funeral contract purchaser, be withdrawn by the trustee and used to purchase a prearrangement insurance policy. Except as provided in this subsection, no funds deposited in trust in a financial institution pursuant to this Article shall be withdrawn by the trustee to purchase a prearrangement insurance policy.

(e) Except as provided by G.S. 90-210.61(c), at no time before making a deposit or purchasing a prearrangement insurance policy may a preneed licensee, or its agents or employees, deposit in its own account or the account of any other person any monies coming into its hands for the purpose of purchasing services, merchandise, or prearrangement insurance policies under the provisions of this Article.

"§ *90-210.62. Types of preneed funeral contracts; forms.*

(a) A preneed licensee may offer standard preneed funeral contracts and inflation-proof preneed funeral contracts. A standard preneed funeral contract applies the trust funds or insurance proceeds to the purchase price of funeral services and merchandise at the time of death of the contract beneficiary without a guarantee against price increases. An inflation-proof contract establishes a fixed price for funeral services and merchandise without regard to price increases. Upon written disclosure to the purchaser of a preneed funeral contract, inflation-proof contracts may permit the preneed licensee to retain all of the preneed funeral contract trust funds on deposit, and all insurance proceeds, even those in excess of the retail cost of goods and services provided, when the preneed licensee has fully performed the preneed funeral contract. Preneed funeral contracts may be revocable or irrevocable, at the option of the preneed funeral contract purchaser.

(b) The Board shall approve all forms for preneed funeral contracts. All contracts must be in writing, and no form shall be used without prior approval of the Board. Any use or attempted use of any

oral preneed funeral contract or any written contract in a form not approved by the Board shall be deemed a violation of this Article.

"*§ 90-210.63. Substitution of licensee.*

(a) If the preneed funeral contract is irrevocable, the preneed funeral contract purchaser, or after his death the preneed funeral contract beneficiary or his legal representative, upon written notice to the financial institution or insurance company and the preneed licensee who is a party to the preneed funeral contract, may direct the substitution of a different funeral establishment to furnish funeral services and merchandise.

(1) If the substitution is made after the death of the preneed funeral contract beneficiary, a funeral establishment providing any funeral services or merchandise need not be a preneed licensee under this Article to receive payment for such services or merchandise. The original contracting preneed licensee shall be entitled to payment for any services or merchandise provided pursuant to G.S. 90-210.65(d).

(2) If the substitution is made before the death of the preneed funeral contract beneficiary, the substitution must be to a preneed licensee. If the preneed funeral contract is funded by a trust deposit or deposits, the financial institution shall immediately pay the funds held to the original contracting preneed licensee. The original contracting preneed licensee shall immediately pay all such funds received to the successor funeral establishment so designated; provided, however, the original contracting preneed licensee shall not be required to give credit for the amount retained pursuant to G.S. 90-210.61(a)(2). Provided further, if the original contracting preneed licensee did not retain any portion of payments made to it as is permitted by G.S. 90-210.61(a)(2) then such preneed licensee may retain up to ten percent (10%) of said funds received from the financial institution. Upon making payments pursuant to this subsection, the financial institution and the original contracting preneed licensee shall be relieved from all further contractual liability thereon.

(3) If the preneed funeral contract is funded by a prearrangement insurance policy, the insurance company shall not pay any of the funds until the death of the preneed funeral contract beneficiary, and the insurance company shall pay the funds in accordance with the terms of the policy.

(b) The person giving notice of the substitution of a preneed licensee and the successor preneed licensee shall enter into a new

preneed funeral contract for the funds transferred, and this Article shall apply, including the duty of the successor preneed licensee to deposit all of the funds in a financial institution if the death of the preneed funeral contract beneficiary has not occurred. Nothing in this subsection shall be construed to permit the use of the transferred funds to purchase a prearrangement insurance policy, nor to permit an irrevocable preneed funeral contract to be made revocable or to result in the payment of any of the transferred funds to the preneed funeral contract purchaser or to the preneed funeral contract beneficiary or his estate, except as provided by G.S. 90-210.64(b).

"*§ 90-210.64. Death of preneed funeral contract beneficiary; disposition of funds.*

(a) After the death of a preneed funeral contract beneficiary and full performance of the preneed funeral contract by the preneed licensee, the preneed licensee shall promptly complete a certificate of performance or similar claim form and present it to the financial institution that holds funds in trust under G.S. 90-210.61(a)(1) or to the insurance company that issued a preneed insurance policy pursuant to G.S. 90-210.61(a)(3). Upon receipt of the certificate of performance or similar claim form, the financial institution shall pay the trust funds to the contracting preneed licensee and the insurance company shall pay the insurance proceeds according to the terms of the policy.

(b) Unless otherwise specified in the preneed funeral contract, the preneed licensee shall have no obligation to deliver merchandise or perform any services for which payment in full has not yet been deposited with a financial institution or that will not be provided by the proceeds of a prearrangement insurance policy. Any such amounts received which do not constitute payment in full shall be refunded to the estate of the deceased preneed funeral contract beneficiary or credited against the cost of merchandise or services contracted for by a representative of the deceased. Any balance remaining after payment for the merchandise and services as set forth in the preneed funeral contract shall be paid to the estate of the preneed funeral contract beneficiary or the prearrangement insurance policy beneficiary named to receive any such balance. Provided, however, unless the parties agree to the contrary, there shall be no refund to the estate of the preneed funeral contract beneficiary of an inflation-proof preneed funeral contract.

(c) In the event that any person other than the contracting preneed licensee performs any funeral service or provides any merchandise as a result of the death of the preneed funeral contract beneficiary, the financial institution shall pay the trust funds to the contracting preneed licensee and the insurance company shall pay the insurance proceeds

according to the terms of the policy. The preneed licensee shall, subject to the provisions of G.S. 90-210.65(d), immediately pay the monies so received to the other provider.

(d) When the balance of a preneed funeral fund is payable to the estate of a deceased preneed funeral contract beneficiary and there has been no representative of the estate appointed, the balance due may be paid into the office of the clerk of superior court in the county where probate proceedings could be filed for the deceased preneed funeral contract beneficiary.

"*§ 90-210.65. Refund of preneed funeral funds.*

(a) Within 30 days of receipt of a written request from the purchaser of a revocable preneed funeral contract who has trust funds deposited with a financial institution pursuant to G.S. 90-210.61(a), the financial institution shall refund to the preneed funeral contract purchaser the entire amount held by the financial institution.

(b) Within 30 days of receipt of a written notice of cancellation of any prearrangement insurance policy purchased pursuant to G.S. 90-210.61(a)(3), the issuing insurance company shall pay such amounts to such person or persons as is provided under the terms of the prearrangement insurance policy.

(c) After making refund pursuant to this section and giving notice of the refund to the preneed licensee, the financial institution or insurance company shall be relieved from all further liability.

(d) Notwithstanding any other provision of this Article, if a preneed funeral contract is revoked or transferred following the death of the preneed funeral contract beneficiary, the purchaser of the preneed funeral contract may be charged according to the contracting preneed licensee's price lists for any services performed or merchandise provided prior to revocation or transfer.

(e) This section shall not apply to irrevocable preneed funeral contracts. Irrevocable preneed funeral contracts may not be revoked nor any proceeds refunded except by order of a court of competent jurisdiction.

"*§ 90-210.66. Recovery fund.*

(a) There is established the Preneed Recovery Fund. The Fund shall be administered by the Board. The purpose of the Fund is to reimburse purchasers of preneed funeral contracts who have suffered financial loss as a result of the malfeasance, misfeasance, default, failure or insolvency of any licensee under this Article, and includes refunds due a preneed funeral contract beneficiary from a preneed licensee who has retained any portion of the preneed funeral contract payments pursuant to G.S. 90-210.61(a)(2).

(b) From the fee of fifteen dollars ($15.00) for each preneed funeral contract as required by G.S. 90-210.67(d), the Board shall

deposit two dollars ($2.00) into the Fund. The Board may suspend the deposits into the Fund at any time and for any period for which the Board determines that a sufficient amount is available to meet likely disbursements and to maintain an adequate reserve.

(c) All sums received by the Board pursuant to this section shall be held in a separate account known as the Preneed Recovery Fund. Deposits to and disbursements from the Fund account shall be subject to rules established by the Board.

(d) The Board shall adopt rules governing management of the Fund, the presentation and processing of applications for reimbursement, and subrogation or assignment of the rights of any reimbursed applicant.

(e) The Board may expend monies in the Fund for the following purposes:

(1) To make reimbursements on approved applications;

(2) To purchase insurance to cover losses as deemed appropriate by the Board and not inconsistent with the purposes of the Fund;

(3) To invest such portions of the Fund as are not currently needed to reimburse losses and maintain adequate reserves, as are permitted to be made by fiduciaries under State law; and

(4) To pay the expenses of the Board for administering the Fund, including employment of legal counsel to prosecute subrogation claims.

(f) Reimbursements from the Fund shall be made only to the extent to which such losses are not bonded or otherwise covered, protected or reimbursed and only after the applicant has complied with all applicable rules of the Board.

(g) The Board shall investigate all applications made and may reject or allow such claims in whole or in part to the extent that monies are available in the Fund. The Board shall have complete discretion to determine the order and manner of payment of approved applications. All payments shall be a matter of privilege and not of right, and no person shall have any right in the Fund as a third-party beneficiary or otherwise. No attorney may be compensated by the Board for prosecuting an application for reimbursement.

(h) In the event reimbursement is made to an applicant under this section, the Board shall be subrogated in the reimbursed amount and may bring any action it deems advisable against any person, including a preneed licensee. The Board may enforce any claims it may have for restitution or otherwise and may employ and compensate consultants, agents, legal counsel, accountants and any other persons it deems appropriate.

(i) The Fund shall apply to losses arising after the effective date of this act, regardless of the date of the underlying preneed funeral contract.

"§ *90-210.67. Application for license.*

(a) No person may offer or sell preneed funeral contracts or offer to make or make any funded funeral prearrangements without first securing a license from the Board. There shall be two types of licenses: a preneed funeral establishment license and a preneed sales license. Only funeral establishments holding a valid establishment permit pursuant to G.S. 90-210.25(d) shall be eligible for a preneed funeral establishment license. Employees and agents of such entities, upon meeting the qualifications to engage in preneed funeral planning as established by the Board, shall be eligible for a preneed sales license. The Board shall establish the preneed funeral planning activities that are permitted under a preneed sales license. The Board shall adopt rules establishing such qualifications and activities no later than 12 months following the ratification of this act. Preneed sales licensees may sell preneed funeral contracts, prearrangement insurance policies, and make funded funeral prearrangements only on behalf of one preneed funeral establishment licensee; provided, however, they may sell preneed funeral contracts, prearrangement insurance policies, and make funeral prearrangements for any number of licensed preneed funeral establishments that are wholly owned by or affiliated with, through common ownership or contract, the same entity; provided further, in the event they engage in selling prearrangement insurance policies, they shall meet the licensing requirements of the Commissioner of Insurance. Every preneed funeral contract shall be signed by a person licensed as a funeral director or funeral service licensee pursuant to Article 13A of Chapter 90 of the General Statutes.

Application for a license shall be in writing, signed by the applicant and duly verified on forms furnished by the Board. Each application shall contain at least the following: the full names and addresses (both residence and place of business) of the applicant, and every officer and director thereof if the applicant is a partnership, association, or corporation and any other information as the Board shall deem necessary. A preneed funeral establishment license shall be valid only at the address stated in the application or at a new address approved by the Board.

(b) An application for a preneed funeral establishment license shall be accompanied by a nonrefundable application fee of not more than one hundred fifty dollars ($150.00). The Board shall set the amounts of the application fees and renewal fees by rule, but the fees shall not exceed one hundred fifty dollars ($150.00). If the license is granted,

the application fee shall be applied to the annual license fee for the first year or part thereof. Upon receipt of the application and payment of the application fee, the Board shall issue a renewable preneed funeral establishment license unless it determines that the applicant has violated any provision of G.S. 90-210.69(c) or has made false statements or representations in the application, or is insolvent, or has conducted or is about to conduct, its business in a fraudulent manner, or is not duly authorized to transact business in this State. Each preneed funeral establishment licensee shall pay annually to the Board on or before June 30 of each year a license renewal fee of not more than one hundred fifty dollars ($150.00).

(c) An application for a preneed sales license shall be accompanied by a nonrefundable application fee of not more than fifty dollars ($50.00). The Board shall set the amounts of the application fees and renewal fees by rule, but the fees shall not exceed fifty dollars ($50.00). If the license is granted, the application fee shall be applied to the annual license fee for the first year or part thereof. Upon receipt of the application and payment of the application fee, the Board shall issue a renewable preneed sales license provided the applicant has met the qualifications to engage in preneed funeral planning as established by the Board unless it determines that the applicant has violated any provision of G.S. 90-210.69(c). Each preneed sales licensee shall pay annually to the Board on or before June 30 of each year, a license renewal fee of not more than fifty dollars ($50.00).

(d) Any person selling a preneed funeral contract, whether funded by a trust deposit or a prearrangement insurance policy, shall remit to the Board, within 10 days of the sale, a fee of fifteen dollars ($15.00) for each sale. The fee shall not be remitted in cash.

(e) The fees collected under this Article, except for monies used pursuant to G.S. 90-210.66, shall be used for the expenses of the Board in carrying out the provisions of this Article. Any funds collected under this Article and remaining with the Board after all expenses under this Article for the current fiscal year have been fully provided for shall be paid over to the General Fund of the State of North Carolina. Provided, however, the Board shall have the right to maintain an amount, the cumulative total of which shall not exceed twenty percent (20%) of gross receipts under this Article for the previous fiscal year of its operations, as a maximum contingency or emergency fund.

(f) Any entity licensed by the Commissioner of Banks under Article 13B of Chapter 90 of the General Statutes before the effective date of this act shall be entitled to have its license renewed notwithstanding that it is not a funeral establishment, provided it otherwise satisfies the requirements of this Article.

"*§ 90-210.68. Licensee's books and records; notice of transfers, assignments and terminations.*

(a) Every preneed licensee shall keep for examination by the Board accurate accounts, books, and records in this State of all preneed funeral contract and prearrangement insurance policy transactions, copies of all agreements, insurance policies, instruments of assignment, the dates and amounts of payments made and accepted thereon, the names and addresses of the contracting parties, the persons for whose benefit funds are accepted, and the names of the financial institutions holding preneed funeral trust funds and insurance companies issuing prearrangement insurance policies. The Board, its inspectors appointed pursuant to G.S. 90-210.24 and its examiners, which the Board may appoint to assist in the enforcement of this Article, may at any time investigate the books, records, and accounts of any licensee under this Article with respect to trust funds, preneed funeral contracts, and prearrangement insurance policies. The Board may require the attendance of and examine under oath all persons whose testimony it may require. Every preneed licensee shall submit a written report to the Board, at least annually, in a manner and with such content as established by the Board, of its preneed funeral contract sales and performance of such contracts. The Board may also require other reports.

(b) A preneed licensee may transfer preneed funds held by it as trustee from the financial institution which is a party to a preneed funeral contract to a substitute financial institution that is not a party to the contract. Within 10 days after the transfer, the preneed licensee shall notify the Board, in writing, of the name and address of the transferee financial institution. Before the transfer may be made, the transferee financial institution shall agree to make disclosures required under the preneed funeral contract to the Board or its inspectors or examiners. If the contract is revocable, the licensee shall notify the contracting party of the intended transfer.

(c) If any preneed licensee transfers or assigns its assets or stock to a successor funeral establishment or terminates its business as a funeral establishment, the preneed licensee and assignee shall notify the Board at least 15 days prior to the effective date of the transfer, assignment or termination: provided, however, the successor funeral establishment must be a preneed licensee or shall be required to apply for and be granted such license by the Board before accepting any preneed funeral contracts, whether funded by trust deposits or preneed insurance policies. Provided further, a successor funeral establishment shall be liable to the preneed funeral contract purchasers for the amount of contract payments retained by the assigning or transferring funeral home pursuant to G.S. 90-210.61(a)(2).

(d) Financial institutions that accept preneed funeral trust funds and insurance companies that issue prearrangement insurance policies shall, upon request by the Board or its inspectors or examiners, disclose any information regarding preneed funeral trust accounts held or prearrangement insurance policies issued by it for a preneed licensee.

(e) In the event that any preneed licensee is unable or unwilling or is for any reason relieved of its responsibility to perform as trustee or to perform any preneed funeral contract, the Board, with the written consent of the purchaser of the preneed funeral contract, or after the purchaser's death or incapacity, the preneed funeral contract beneficiary may order the contract to be assigned to a substitute preneed licensee provided that the substitute licensee agrees to accept such assignment.

"§ 90-210.69. *Rulemaking; enforcement of Article; judicial review.*

(a) The Board is authorized to adopt rules for the carrying out and enforcement of the provisions of this Article. The Board may perform such other acts and exercise such other powers and duties as are authorized by this Article and by Article 13A of this Chapter to carry out its powers and duties.

(b) The Board may administer oaths and issue subpoenas requiring the attendance of persons and the production of papers and records in any investigation conducted by it. Members of the Board's staff or the sheriff or other appropriate official of any county of this State shall serve all notices, subpoenas and other papers given to them by the Board for service in the same manner as process issued by any court of record. Any person who does not obey a subpoena issued by the Board shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined or imprisoned in the discretion of the court.

(c) If the Board finds that a licensee, an applicant for a license or an applicant for license renewal is guilty of one or more of the following, the Board may refuse to issue or renew a license or may suspend or revoke a license or place the holder thereof on probation upon conditions set by the Board, with revocation upon failure to comply with the conditions:

(1) Offering to engage or engaging in activities for which a license is required under this Article but without having obtained such a license;

(2) Aiding or abetting an unlicensed person, firm, partnership, association, corporation or other entity to offer to engage or engage in such activities;

(3) A crime involving fraud or moral turpitude by conviction thereof;

(4) Fraud or misrepresentation in obtaining or receiving a license or in preneed funeral planning;

(5) False or misleading advertising; or

(6) Violating or cooperating with others to violate any provision of this Article or the rules adopted pursuant thereto.

(d) Any proceedings pertaining to or actions against a funeral establishment under this Article may be in addition to any proceedings or actions permitted by G.S. 90-210.25(d)(4). Any proceedings pertaining to or actions against a person licensed for funeral directing or funeral service may be in addition to any proceedings or actions permitted by G.S. 90-210.25 (e)(1) and (2).

(e) All hearings under this Article shall be conducted pursuant to G.S. 150B-40(e). Judicial review shall be pursuant to Article 4 of Chapter 150B of the General Statutes.

"§ 90-210.70. Penalties.

(a) Anyone who embezzles or who fraudulently, or knowingly and willfully misapplies, or in any manner converts preneed funeral funds to his own use, or for the use of any partnership, corporation, association, or entity for any purpose other than as authorized by this Article; or anyone who takes, makes away with or secretes, with intent to embezzle or fraudulently or knowingly and willfully misapply or in any manner convert preneed funeral funds for his own use or the use of any other person for any purpose other than as authorized by this Article shall be punished as a Class H felon. Each such embezzlement, conversion, or misapplication shall constitute a separate offense and may be prosecuted individually. Upon conviction, all licenses issued under this Article shall be revoked.

(b) Any person who willfully violates any other provision of this Article shall be guilty of a misdemeanor and shall be fined not less than five hundred dollars ($500.00), or shall be imprisoned for not less than 30 days nor more than two years, or both. Each such violation shall constitute a separate offense and may be prosecuted individually.

(c) If a corporation embezzles or fraudulently or knowingly and willfully misapplies or converts preneed funeral funds as provided in subsection (a) hereof or otherwise violates any provision of this Article, the officers, directors, agents, or employees responsible for committing the offense shall be fined or imprisoned as herein provided.

(d) The Board shall have the power to investigate violations of this section and shall deliver all evidence of violations to the district attorney in the county where the offense occurred. The Board shall, with the fees collected under this Article, employ legal counsel and other staff to monitor preneed trusts, investigate complaints, audit

preneed trusts, and be responsible for delivering evidences to the district attorney when there is evidence of criminal violation. The record of complaints, auditing, and enforcement shall be presented in an annual report from the Board to the General Assembly.

"§ *90-210.71. Nonregulation of insurance sales.*

The provisions of this Article do not regulate the issuance and sale of insurance policies, but apply only to the underlying preneed funeral contracts.

"§ *90-210.72. Nonapplication to certain funeral contracts.*

This Article does not apply to contracts for funeral services or merchandise sold as preneed burial insurance policies pursuant to Part 13 of Article 10 of Chapter 143B of the North Carolina General Statutes or to replacements or conversions of such policies pursuant to G.S. 143B-472.28."

Sec. 3. G.S. 90-210.18(b) reads as rewritten:

"§ *90-210.18. Construction of Article; State Board; members; election; qualifications; term; vacancies.*

(b) The North Carolina Board of Mortuary Science is created as a continuation of the North Carolina Board of Embalmers and Funeral Directors. The Board is the agency for regulation of the practice of funeral service in this State. The Board shall have ~~seven~~ nine members as follows:

(1) Four funeral service licensees or persons holding both funeral director's license and an embalmer's license,

(2) Two persons holding a funeral director's license or a funeral service license, and

(3) ~~One~~ Three public ~~member.~~ members.

A member's term shall be three years and shall expire on December 31 or when his successor has been duly elected or appointed. No member may serve more than two complete consecutive terms.

The six seats on the Board for licensees shall be filled in an election in which every person licensed to practice embalming, funeral directing, or funeral service in this State may vote. No licensee may be nominated, elected, or serve unless he holds a North Carolina license in the class designated for the seat and unless he is engaged in full-time employment in this State in a practice authorized by his license. Any vacancy occurring in an elective seat on the Board shall be filled for the unexpired term by majority vote of the remaining Board members.

The public ~~member~~ members of the Board shall have full voting authority. ~~He~~ They shall be appointed by the Governor and may neither be licensed under this Article nor employed by a person who is. A vacancy occurring in ~~the~~ a public member's seat shall be filled for the unexpired term by the Governor."

Sec. 4. G.S. 90-210.22 reads as rewritten:

"*§ 90-210.22. Required meetings of the Board.*

The Board shall hold at least two meetings in each year at which examinations shall be given to qualified applicants for licenses. In addition, the Board may meet as often as the proper and efficient discharge of its duties shall require. ~~Four~~ Five members shall constitute a quorum."

Sec. 5. (a) As of the effective date of this act, there shall be no requirement for the filing, maintenance or renewal of any bond as was required by G.S. 90-210.31(al) as such section existed prior to being repealed by this act.

(b) As of the effective date of this act, the Commissioner of Banks shall deliver to the North Carolina Board of Mortuary Science all of his records pertaining to the regulation of preneed funeral funds.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 314 **CHAPTER 902**

AN ACT TO ALLOW THE DEPARTMENT OF CORRECTION TO DEVELOP AND IMPLEMENT MANUFACTURING OR OTHER INDUSTRIES WITHIN STATE PRISON FACILITIES BY PRIVATE ENTERPRISES.

Whereas, there is currently a Correction Enterprises in North Carolina which provides products and services for the State while making a profit and alleviating the burden on the taxpayer; and

Whereas, Correction Enterprises was started in 1915 with the Central Prison printing plant and has since grown to include 24 manufacturing, farming and service operations throughout the State; and

Whereas, Correction Enterprises' operations include the license plate shop, sign plant, printing plant, paint plant, woodworking plant, sewing plant, oil refinery, soap plant, furniture plant, reupholstery plant, cannery, meat processing plant, forestry service, three farms and six laundries providing products and services for government only; and

Whereas, no money is appropriated by the General Assembly for the operation of Correction Enterprises, therefore each operation is self-sufficient and profits derived by Correction Enterprises are used by the Department of Correction for capital improvements or other

uses as determined by the Secretary of Correction and the Advisory Budget Commission; and

Whereas, the State of North Carolina has a strong interest in making the inmates in its prison system, and the prison system itself, more self-sufficient and in helping inmates develop employable skills and positive work habits; and

Whereas, other states have had highly successful programs as part of a U.S. Department of Justice Bureau of Justice Assistance pilot project program to permit private enterprise to establish manufacturing facilities or other industries within the confines of the State prison system; and

Whereas, such programs do not create the problem of government competition with private enterprise since it is private enterprise that is carrying on the operation and inmates are required to be paid at least the prevailing minimum wage, and there is therefore no unfair competition from cheap labor; and

Whereas, inmates who are employed in the program are required to pay a portion of their earning to the State as is now required of work release inmates; and

Whereas, this will be a one-time cost to the State of North Carolina for the development and implementation of such a program administered through Correction Enterprises; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. The Department of Correction shall use funds available to it including the Prison Enterprises Fund for the 1991-92 fiscal year for the purpose of developing, seeking approval from the Bureau of Justice Assistance, and implementing a program of manufacturing or other industries within State prison facilities by private enterprises to be administered through Correction Enterprises.

Sec. 2. G.S. 148-70 reads as rewritten:

"§ *148-70. Management and care of inmates; prison industries; disposition of products of inmate labor.*

The State Department of Correction in all contracts for labor shall provide for feeding and clothing the inmates and shall maintain, control and guard the quarters in which the inmates live during the time of the contracts; and the Department shall provide for the guarding and working of such inmates under its sole supervision and control. The Department may make such contracts for the hire of the inmates confined in the State prison as may in its discretion be proper. In accordance with the provisions of Article 11 of Chapter 66 of the General Statutes, the Department may use the labor of inmates confined in the State prison in work on farms and manufacturing, either within or without the State prison. The Department may dispose

of the products of the labor of the inmates, either in farming or in manufacturing or in other industry at the State Prison System to any public institution owned, managed, or controlled by the State, or to any county, city or town in this State, or to any federal, state, or local public institution in any other state of the union. Provided however, no manufacturing or other industry shall be established, supervised or controlled by the Department unless specifically approved by the Governor pursuant to G.S. 66-58(f).

All departments, institutions and agencies of this State which are supported in whole or in part by the State shall give preference to Department of Correction products in purchasing ~~articles and commodities~~ articles, products, and commodities which these departments, institutions, and agencies require and which are manufactured or produced within the State prison system and offered for sale to them by the Department of Correction, and no article or commodity available from the Department of Correction shall be purchased by any such State department, institution, or agency from any other source unless the prison product does not meet the standard specifications and the reasonable requirements of the department, institution, or agency as determined by the Secretary of Administration, or the requisition cannot be complied with because of an insufficient supply of the articles or commodities required. The provisions of Article 3 of Chapter 143 of the General Statutes respecting contracting for the purchase of all supplies, materials and equipment required by the State government or any of its departments, institutions or agencies under competitive bidding shall not apply to articles or commodities available from the Department of Correction, but the Department of Correction shall be required to keep the price of such articles or commodities substantially in accord with that paid by governmental agencies for similar articles and commodities of equivalent quality as determined by the Secretary by reference to competitive bidding as required by law.

In addition, the Secretary of Correction may lease one or more buildings or portions of buildings on the grounds of any State correctional institution or location under Department of Correction control, together with the real estate needed for reasonable access to such buildings, for a term not to exceed 20 years, to a private corporation for the purpose of establishing and operating a factory for the manufacture and processing of products or any other commercial enterprise deemed by the Secretary to provide employment opportunities for inmates in meaningful jobs for wages. A lease entered into pursuant to this section may include provisions for the remodeling or construction of buildings. Each lease shall be approved by the Governor and Council of State and may be entered into only

after consultation with the Joint Legislative Commission on Governmental Operations. Each lease negotiated and concluded pursuant to this section shall include and shall be valid only so long as the lessee adheres to the following provisions:

(1) All persons employed in the factory or other commercial enterprise operated in or on the leased property, except the lessee's supervisory employee and necessary training personnel, shall be inmates who are approved for such employment by the Secretary or his designee.

(2) The factory or other commercial enterprise operated in or on the leased property shall observe at all times such practices and procedures regarding security as the lease may specify or as the Secretary may stipulate.

(3) The factory or other commercial enterprise operated on the leased property shall be deemed a private enterprise and subject to all the laws and lawfully adopted rules of this State governing the operation of similar business enterprises elsewhere, except that the provisions of G.S. 66-58 shall not apply to the industries or products of such private enterprise.

The Secretary shall adopt rules for the administration and management of personnel policies for prisoner workers including wages, working hours, and conditions of employment.

Except as prohibited by applicable provisions of the United States Code, inmates of correctional institutions of this State may be employed in the manufacture and processing of products and services for introduction into interstate commerce, so long as they are paid no less than the prevailing minimum wage."

Sec. 3. G.S. 66-58(b) is amended by adding a new subdivision to read:

"(17) The activities and products of private enterprise carried on or manufactured within a State prison facility pursuant to G.S. 148-70."

Sec. 4. G.S. 148-2(b) reads as rewritten:

"(b) All revenues from the sale of articles and commodities manufactured or produced by prison enterprises shall be deposited with the State Treasurer to be kept and maintained as a special revolving working-capital fund designated 'Prison Enterprises Fund.' The Prison Enterprises Fund shall be used for capital and operating expenditures, including salaries and wages of supervisory personnel, necessary to develop and operate prison industrial and forestry enterprises to provide diversified employment for prisoners. When, in the opinion of the Governor, the Prison Enterprises Fund has reached a sum in excess of requirements for these purposes, the excess shall be used for other purposes within the State prison system or shall be

transferred to the general fund as the Governor may direct. The provisions of this section shall not apply to revenues generated from private prison enterprises conducted pursuant to G.S. 148-70 except for lease and rental income."

Sec. 5. G.S. 148-18(a) reads as rewritten:

"(a) Prisoners employed in prison enterprises shall be compensated, at rates fixed by the Department of Correction's rules and regulations, for work performed; provided, that no prisoner working for prison enterprises shall be paid more than one dollar ($1.00) per day from funds made available by the Prison Enterprises Fund.

Prisoners employed other than by prison enterprises and those involved in the maintenance and housekeeping of the prison system, shall be compensated at rates fixed by the Department of Correction's rules and regulations; provided, that no prisoner so paid shall receive more than one dollar ($1.00) per day. The source of wages and allowances provided inmates who are not employed by prison enterprises shall be funds provided by the Department of Transportation to the Department of Correction for this purpose. The provisions of this subsection shall not apply to wages paid by private prison enterprises conducted pursuant to G.S. 148-70."

Sec. 6. G.S. 148-33.1 is amended by adding a new subsection to read:

"(j) The provisions of subsections (f), (g), and (h) of this section shall also apply to prisoners employed in private prison enterprises conducted pursuant to G.S. 148-70."

Sec. 7. This act becomes effective July 2, 1992.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 998 **CHAPTER 903**

AN ACT TO CREATE THE SANFORD-LEE COUNTY REGIONAL AIRPORT AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. There is hereby created an airport authority to be known as the "Sanford-Lee County Regional Airport Authority" which shall be a body politic and corporate. The said authority shall be composed of six members, three appointed by the Board of Commissioners for the County of Lee and three by the Board of Aldermen of the City of Sanford. The said members shall be allowed a reasonable compensation as determined by the joint action of the Board of Aldermen of the City of Sanford and the Board of Commissioners for the County of Lee, and shall be paid actual

expenses incurred in the transaction of business at the instance of the authority; provided, however, that no full-time employee or elected member of either the Board of Aldermen of the City of Sanford or the board of Commissioners of the County of Lee shall be paid for his or her services in connection with said authority, but shall be entitled only to reimbursement of actual expenses.

Sec. 2. The members appointed as set forth above shall serve at the pleasure of their respective appointing Board. The authority shall determine its own organization and shall annually at its first meeting in July of each calendar year elect its officers who shall serve for a term of one year, or until their successors are elected and qualify. Officers shall be eligible to succeed themselves in office and to serve consecutive terms at the will of the members of the authority.

Sec. 3. (a) The authority shall, in addition to the powers conferred in Chapter 63 of the General Statutes of North Carolina, have the following powers:

(1) To sue and be sued in the name of the airport authority, and all pleadings served upon the airport authority shall be served on the chairperson or secretary of the airport authority.

(2) To expend funds appropriated from time to time by the County of Lee and the City of Sanford, jointly or severally, for airport purposes and to appropriate and expend funds received by the authority from fees, charges, rents, and dues arising out of the operation of said airport, the facilities, improvements, and concessions located thereat or operated thereon.

(3) To establish, construct, control, lease, maintain, improve, operate, and regulate an airport on lands acquired by it with buildings necessary to accommodate all types of business to operate an airport, runways, taxi ramps, parking ramps, and any equipment to operate an airport, to have complete authority for rules and regulations over all airport property for the control of all types of vehicular traffic, mobile or stationary, and pedestrian traffic with respect to areas or roadways not under the control of the Department of Transportation and any rules and regulations adopted by the airport authority for property exclusively under its control and to have conjunctive authority to work with and cooperate with all duly constituted law enforcement agencies to enforce rules and regulations established by the State of North Carolina. The penalty for violation of rules and regulations established by the airport authority shall be a misdemeanor and, upon conviction,

shall be punishable by a fine not to exceed fifty dollars ($50.00) or imprisonment not to exceed 30 days. All rules and regulations so adopted by the airport authority shall be recorded by delivering true copies thereof certified by the chairperson and secretary of the authority to the City of Sanford and the County of Lee.

(4) For the public use or benefit the authority shall possess the power of eminent domain and may acquire by purchase, gift, or condemnation, any property in Lee County only for the purpose of establishing, extending, enlarging, or improving an airport. The Sanford-Lee County Regional Airport Authority is hereby declared to be a local public condemnor under the provisions of Chapter 40A of the General Statutes and in exercising the powers of eminent domain shall follow the procedures of Article 3 of Chapter 40A. Title to the property and the right of immediate possession shall vest pursuant to subsection (a) of G.S. 40A-42. If property acquired by condemnation shall have a burial ground or graveyard then it shall be lawful for said airport authority after 30 days notice to the surviving spouse, or the next of kin of the deceased buried therein, or the person in control of such graves, if any are known, to remove the body interred therein and reinter the same in some cemetery in the same county. If no surviving spouse or next of kin or person in control can be found, then the airport authority can advertise for four consecutive weeks in a newspaper published in Lee County of the intended removal of said gravesite and the removal shall be conducted under the supervision of the Clerk of the Superior Court for Lee County or his or her representative, and the expense of such removal shall be borne by the airport authority. The airport authority may dispose of any real or personal property belonging to it according to the procedures described in Chapter 160A, Article 12.

(5) To lease for a term of 20 years and for purposes not inconsistent with airport purposes or usage, real or personal property or both, under the supervision of or administered by the airport authority.

(6) To contract with persons, firms, or corporations for terms not to exceed 20 years, for the operation of passenger and freight flights, scheduled or nonscheduled, and any other plane or flight activities not inconsistent with airport operations and to charge and collect reasonable fees,

charges, and rents for the use of such property, and services rendered in the operation thereof.

(7) To operate, own, control, regulate, lease, or grant to others the license to operate amusements or concessions for a term not exceeding 20 years.

(8) To enter into contracts, and with the prior written approval of the County of Lee and the City of Sanford, to pledge as security the property of the airport authority; provided, however, that neither the airport authority nor the individual members thereof shall have any authority to pledge the credit of or contract for the County of Lee or the City of Sanford, or any combination thereof. With the prior written consent of the County of Lee and the City of Sanford, the airport authority shall be authorized to pledge any lease agreement to which it is a party as security for any loan.

(9) To adopt and use a seal.

(10) To contract with the Federal Aviation Administration of the United States of America or with the State of North Carolina or with any of the agencies or representatives of either of said governmental bodies relating to the grading, constructing, equipping, improving, maintaining, or operating of an airport or its facilities, or both.

(b) The Sanford-Lee County Regional Airport Authority shall enjoy governmental immunity, however, the authority may contract to insure itself and any of its officers, agents, or employees against liability for wrongful death or negligence or intentional damage to persons or property or against absolute liability for damage to persons or property caused by an act or omission of the authority or of any of its officers, agents, or employees when acting within the scope of their authority and the course of their employment. The members of the authority shall determine what liabilities and what officers, agents, and employees shall be covered by any insurance purchased pursuant to this provision.

Purchase of insurance pursuant to this provision waives the authority's governmental immunity to the extent of insurance coverage, for any act or omission occurring in the exercise of a governmental function. By entering into an insurance contract with the authority, an insurer waives any defense based upon the governmental immunity of the authority.

If the authority has waived its governmental immunity pursuant to the foregoing provisions of this section, any person, or if he dies, his personal representative, sustaining damages as a result of an act or omission of the authority or any of its officers, agents, or employees

occurring in the exercise of a governmental function, may sue the authority for recovery of damages. To the extent of the coverage of insurance purchased pursuant to this section governmental immunity may not be a defense to the action. Otherwise, however, the authority has all defenses available to private litigants in any action brought pursuant to these provisions without restriction, limitation, or other effect whether the defense arises from common law or by virtue of a statute.

Sec. 4. The Sanford-Lee County Regional Airport Authority may exercise the powers granted to municipalities by the terms of Article 6, Chapter 63 of the General Statutes of North Carolina concerning public airports and related facilities. Nothing in this act shall give the authority to condemn land or establish an airport outside the boundaries of Lee County.

Sec. 5. In the event of cessation of the operation of an airport established under this act, or the abandonment of any of the property acquired hereunder for airport purposes, the title to such real or personal property, or rights under any existing lease shall revert to and vest in the County of Lee and the City of Sanford, and upon the sale of any property after cessation of operations, the proceeds therefrom shall vest equally in the County of Lee and the City of Sanford.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 1050 **CHAPTER 904**

AN ACT TO AMEND THE DEFINITION OF "DAY CARE" TO EXCLUDE DROP-IN CARE AND TO REQUIRE THE DEPARTMENT OF HUMAN RESOURCES TO STUDY HOW TO ENSURE THE HEALTH AND SAFETY OF CHILDREN IN DROP-IN CARE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 110-86(2) reads as rewritten:

"(2) Child day care. -- Any child care arrangement ~~except seasonal recreational programs operated for less than four consecutive months in a year,~~ wherein three or more children less than 13 years old receive care away from their own home by persons other than their parents, grandparents, aunts, uncles, brothers, sisters, first cousins, guardians or full-time custodians, or in the child's own home where other unrelated children are in care. Child

day care does not include seasonal recreational programs operated for less than four consecutive months in a year. Child day care also does not include arrangements that provide only drop-in or short-term child care for parents participating in activities that are not employment related and where the parents are on the premises or otherwise easily accessible, such as drop-in or short-term child care offered in health spas, bowling alleys, shopping malls, resort hotels, and churches.

Sec. 2. G.S. 110-86(3) reads as rewritten:

(3) Child day care facility. -- Includes any child day care center or child care arrangement not excluded by G.S. 110-86(2), which provides day care for more than five children, not including the operator's own school-aged children, under the age of 13 years, on a regular basis of at least once per week for more than four hours but less than 24 hours per day, regardless of the time of day and regardless of whether the same or different children attend. The following are not included: public schools; nonpublic schools whether or not accredited by the State Department of Public Instruction, which regularly and exclusively provide a course of grade school instruction to children who are of public school age; summer camps having children in full-time residence; Bible schools conducted during vacation periods; facilities licensed under Article 2 of Chapter 122C of the General Statutes; and cooperative arrangements among parents to provide care for their own children as a convenience rather than for employment.

Child day care facilities are separated by capacity into the following categories which determine applicable requirements and standards as established by the Commission pursuant to G.S. 110-88:

Facility Type
Large Home
Small Center
Medium Center
Large Center

The Commission shall establish the maximum capacity for each of the four categories of facilities."

Sec. 3. The Department of Human Resources shall conduct a study of how the State may assure the health and safety of those children provided care in the drop-in and short-term care excluded from day care regulation pursuant to Section 1 of this act. The Department shall report its findings, together with any legislative

recommendations, to the Legislative Research Commission Study Committee on Child Care Issues by November 1, 1992.

Sec. 4. The Department of Human Resources shall adopt rules to define "easily accessible" and any other rules necessary to implement this act.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 1063 **CHAPTER 905**

AN ACT TO AMEND THE MOTOR VEHICLE LAWS CONCERNING COTTON-HAULING VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-118 is amended by adding the following new subsection:

"(k) From September 1 through March 1 of each year, a vehicle which is equipped with a self-loading bed and which is designed and used exclusively to transport compressed seed cotton from the farm to a cotton gin may operate on the highways of the State, except interstate highways, with a tandem-axle weight not exceeding 44,000 pounds. Such vehicles shall be exempt from light-traffic road limitations only from point of origin on the light-traffic road to the nearest State-maintained road which is not posted to prohibit the transportation of statutory load limits. This exemption does not apply to restricted, posted bridge structures."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 1147 **CHAPTER 906**

AN ACT TO PROVIDE A MAXIMUM PENALTY FOR THE DARE ROOM TAX AND MEALS TAX AND TO MAKE CLARIFYING CHANGES TO THE PENALTIES.

The General Assembly of North Carolina enacts:

Section 1. Section 5 of Chapter 449 of the 1985 Session Laws, as amended by Chapter 826 of the 1985 Session Laws and Chapter 177 of the 1991 Session Laws, reads as rewritten:

"Sec. 5. Penalties. A person, firm, corporation, or association who fails or refuses to file a return required by this act shall pay a penalty of ten dollars ($10.00) for each day's ~~omission.~~ omission, up

to a maximum of one hundred dollars ($100.00) per month or fraction thereof. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall thereafter be an additional ~~tax.~~ tax for each additional period of 30 days or fraction thereof, as a penalty, of five percent (5%) of the tax due in addition to any other ~~penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof~~ penalty until the tax is paid. The board of commissioners may, for good cause shown, compromise or forgive the additional tax and civil penalties imposed by this section.

A person who willfully attempts in any manner to evade a tax imposed under this act or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars ($1,000) and imprisonment not to exceed six months."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 1158 **CHAPTER 907**

AN ACT TO PERMIT THE STATE OF NORTH CAROLINA TO GRANT A UTILITY EASEMENT TO CAROLINA POWER AND LIGHT COMPANY ACROSS UMSTEAD PARK AND TO REQUIRE THE DEPARTMENT OF TRANSPORTATION TO MAINTAIN PARKING LOTS IN THE STATE PARKS AND RECREATION AREAS.

The General Assembly of North Carolina enacts:

Section 1. Article 25B of Chapter 143 of the General Statutes is amended by adding the following new section to read:

"*§ 143-260.10E. Utility easement at William B. Umstead State Park.*

(a) The State of North Carolina may grant a utility easement to Carolina Power and Light Company across a tract of land within William B. Umstead State Park. The easement shall be 100 feet wide, extending 50 feet on each side of the following-described survey line: Lying and being in Leesville township, Wake County, North Carolina; BEGINNING at point B2 as shown on the Drawing hereinafter referred to, the point B2 being located in a southern property line of Raleigh Durham Airport Authority (formerly Continental Mortgage Investors) and a northern property line of the State of North Carolina; the point B2 also being located North 87 degrees 01 minute 31 seconds West 834.04 feet from a concrete

monument making a southeastern corner of Raleigh Durham Airport Authority (formerly Continental Mortgage Investors); and runs thence South 02 degrees 01 minute 53 seconds East 3508.00 feet to point A2 on the Drawing, the location of Point A2 having North Carolina Coordinates Y=773,193.769 and X=2,069,162.420, the Point A2 being located at the terminus of Carolina Power and Light Company's existing 100 foot wide right-of-way strip, as shown and described on Carolina Power and Light Company Drawing No. RW-A-5246, dated September 1977, which Drawing also shows the respective complementing sidelines going to make up the easement.

(b) The State of North Carolina may only use the proceeds from the easement described in subsection (a) of this section to acquire property at any State park.

(c) The grant of the easement within William B. Umstead State Park to Carolina Power and Light Company under this section constitutes authorization by the General Assembly that the described tract of land may be used for a utility easement, which is a purpose other than the public purposes as specified in Article XIV, Section 5, of the Constitution, Article 25B of Chapter 143 of the General Statutes, and Article 2C of Chapter 113 of the General Statutes."

Sec. 2. G.S. 136-44.2 reads as rewritten:

"*§ 136-44.2. Budget and appropriations.*

The Director of the Budget shall include in the 'Current Operations Appropriations Bill' an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, urban, and State parks road systems. The State primary system shall include all portions of the State highway system located outside municipal corporate limits which are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system located outside municipal corporate limits that is not a part of the State primary system. The State urban system shall include all portions of the State highway system located within municipal corporate limits. The State parks system shall include all State parks roads and parking lots which are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided

for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.

Other program categories for which appropriations are requested, such as, but not limited to, maintenance, channelization and traffic control, bridge maintenance, public service and access road construction, and ferry operations shall be enumerated in the budget.

The Department of Transportation shall have all powers necessary to comply fully with provisions of present and future federal-aid acts. No federally eligible construction project may be funded entirely with State funds unless the Department of Transportation has first consulted with the Joint Legislative Commission on Governmental Operations. For purposes of this section, 'federally eligible construction project' means any construction project except secondary road projects developed pursuant to G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not federal funds are actually available.

The 'Current Operations Appropriations Bill' shall also contain the proposed appropriations of State funds for use in each county for maintenance and construction of secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated for secondary roads shall not be transferred nor used except for the construction and maintenance of secondary roads in the county for which they are allocated pursuant to G.S. 136-44.5 and 136-44.6.

In the event receipts and increments to the State Highway Fund shall be more than the appropriations made for the preceding fiscal year, such excesses shall be allocated by the Director of the Budget to the Department of Transportation for school and industrial access roads and unforeseen happenings or state of affairs requiring prompt action, with fifty percent (50%) of the balance to be allocated to the State secondary roads program on the basis of need as determined by the Department of Transportation and the remaining fifty percent (50%) to be allocated in accordance with G.S. 136-44.5.

The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day."

Sec. 3. G.S. 136-44.12 reads as rewritten:

"§ *136-44.12. Maintenance of roads and parking lots in areas administered by the Division of Parks and Recreation.*

The Department of Transportation shall maintain all roads and parking lots which are not part of the State Highway System, leading into and located within the boundaries of all areas administered by the Division of Parks and Recreation of the Department of Environment, Health, and Natural Resources.

All such roads and parking lots shall be planned, designed, and engineered through joint action between the Department of Transportation and the Division of Parks and Recreation of the Department of Environment, Health, and Natural Resources. This joint action shall encompass all accepted park planning and design principles. Particular concern shall be given to traffic counts and vehicle weight, minimal cutting into or through any natural and scenic areas, width of shoulders, the cutting of natural growth along roadways, and the reduction of any potential use of roads or parking lots for any purpose other than by park users. All State park roads and parking lots shall conform to the standards regarding width and other roadway specifications as agreed upon by the Division of Parks and Recreation of the Department of Environment, Health, and Natural Resources and the Department of Transportation.

The State park road systems may be closed to the public in accordance with approved park practices that control the use of State areas so as to protect these areas from overuse and abuse and provide for functional use of the park areas, or for any other purpose considered in the best interest of the public by the Division of Parks and Recreation of the Department of Environment, Health, and Natural Resources.

Nothing herein shall be construed to include the transfer to the Department of Transportation the powers now vested in the Division of Parks and Recreation of the Department of Environment, Health, and Natural Resources relating to the patrol and safeguarding of State ~~parks or parkway~~ park roads or State park parking lots."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 1161 **CHAPTER 908**

AN ACT TO PROVIDE FOR A FOX TRAPPING SEASON IN CASWELL COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any other provision of law, there is an open season for taking foxes with rubber cleat traps from January 31 through June 30 of each year.

Sec. 2. A season bag limit of 30 applies to all foxes taken during the trapping season established in this act.

Sec. 3. The Wildlife Resources Commission shall provide for the sale of foxes taken lawfully pursuant to this act.

Sec. 4. This act applies only to Caswell County.

Sec. 5. This act shall become effective October 1, 1992.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 1182 **CHAPTER 909**

AN ACT RELATING TO DISPOSITION OF PROPERTY BY THE CITY OF ROXBORO AT THE LAKE ROXBORO PROJECT IN CASWELL COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Section 5 of Chapter 515, Session Laws of 1989, reads as rewritten:

"Sec. 5. ~~This act shall apply~~ The City of Roxboro may under this act convey title to any excess property to which the original landowners or their successors in title shall have given notice of intent to purchase to the City of Roxboro ~~no later than July 1, 1992~~. Such notice of intent to purchase shall include a copy of the survey required by this act. The appraisal process shall commence immediately after such notice of intent to purchase."

Sec. 2. Section 7 of Chapter 515, Session Laws of 1989, reads as rewritten:

"Sec. 7. The City of Roxboro may not dispose of any excess property as defined by this act except as provided by this act, except that the City may ~~dispose of such excess property as provided by law if a notice of intent to purchase and a survey is not provided by July 1, 1992, as provided by Section 5 of this act, or if the purchase is not made within 120 days of the appraisal as provided by Section 6 of this act~~ grant utility easements across said property."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

H.B. 190 **CHAPTER 910**

AN ACT ALLOWING JUDGMENT FOR EQUITABLE DISTRIBUTION TO BE ENTERED PRIOR TO ENTRY OF A DIVORCE DECREE IN CERTAIN CASES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 50-21(a) reads as rewritten:

"(a) At any time after a husband and wife begin to live separate and apart from each other, a claim for equitable distribution may be filed, either as a separate civil action, or together with any other action brought pursuant to Chapter 50 of the General Statutes, or as a motion in the cause as provided by G.S. 50-11(e) or (f). During the pendency of any such action for equitable distribution, discovery may proceed, and the court may enter temporary orders as appropriate and necessary for the purpose of preventing the disappearance, waste, or destruction of marital or separate property or to secure the possession thereof.

A judgment for an equitable distribution shall not be entered prior to entry of a decree of absolute divorce, except for a consent judgment, which may be entered at any time during the pendency of the ~~action.~~ action, or except if the parties have been separated for at least six months and they consent, in a pleading or other writing filed with the court, to an equitable distribution trial prior to the entry of the decree for absolute divorce.

Real or personal property located outside of North Carolina is subject to equitable distribution in accordance with the provisions of G.S. 50-20, and the court may include in its order appropriate provisions to ensure compliance with the order of equitable distribution."

Sec. 2. This act becomes effective October 1, 1992, and applies only to actions for equitable distribution filed or pending on or after that date.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

H.B. 1527 **CHAPTER 911**

AN ACT TO ANNEX CERTAIN TERRITORY INTO THE CORPORATE LIMITS OF THE TOWN OF FARMVILLE.

The General Assembly of North Carolina enacts:

Section 1. The corporate limits of the Town of Farmville shall be extended to include the following described territory:

BEING a parcel of land lying north of and adjacent to the north line of US 264, Marlboro Road, about ½ mile west of US 258 at Marlboro, bounded on the west and south by the existing corporate limits, and more particularly described as follows:

BEGINNING at a point in the north line of US 264 (Marlboro Road), said point being located N 61°-24'-28" W 2560.766 feet from a

concrete monument at North Carolina Geodetic Survey Station "Marlboro" (x = 2418132.697, y = 669537.965) and running thence with the north line of US 264 (Marlboro Road) and the existing corporate limits of the Town of Farmville N 62°-21'-16" W 355.633 feet to an iron pipe; thence with a ditch and the existing corporate limits N 13°-04'-34" W 629.538 feet to point; thence N 84°-22'-20" E 723.087 feet with the new corporate limits to a point in a ditch; thence with the new corporate limits S 04°-22'-08" W 145.640 feet; thence continuing with said ditch and the new corporate limits S 19°-37'-41" W 747.348 feet to the point of beginning containing 9.08 acres, being that tract of land owned by David H. Stowe and W.A. Allen, III as described in deed book L49 page 281, and being also the site of the Farmville Tractor and Implement Co.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

H.B. 1657 **CHAPTER 912**

AN ACT TO ABOLISH THE NORTH CAROLINA COUNCIL ON INTERSTATE COOPERATION, WHICH HAS NOT MET SINCE 1979.

The General Assembly of North Carolina enacts:

Section 1. Part 6 of Article 9 of Chapter 143B of the General Statutes is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

S.B. 1011 **CHAPTER 913**

AN ACT MAKING TECHNICAL AND OTHER CHANGES TO THE FUEL TAX LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-430 is amended by adding the following subdivisions to read:

"(5) Person. -- An individual, a firm, a partnership, an association, a corporation, or any other organization or group acting as a unit.

(6) Secretary. -- The Secretary of Revenue."

Sec. 2. G.S. 105-446.1 reads as rewritten:

"§ 105-446.1. Refund of tax paid on motor fuel by certain governmental entities and nonprofit organizations.

(a) A governmental entity or a nonprofit organization listed below that purchases and uses motor fuel may receive a quarterly refund, for the tax paid during the preceding quarter, at a rate equal to the amount of the flat cents-per-gallon rate plus the variable cents-per-gallon rate in effect during the quarter for which the refund is claimed, less one cent (1¢) per gallon. ~~The~~ Any of the following entities may receive a refund under this section:

~~(1) The Department of Transportation;~~

~~(2)~~ (1) A county or a municipal ~~corporation;~~ corporation.

~~(3)~~ (2) A private, nonprofit organization that transports passengers under contract with or at the express designation of a unit of local ~~government;~~ government.

~~(4)~~ (3) A volunteer fire ~~department;~~ department.

~~(5)~~ (4) A volunteer rescue ~~squad;~~ squad.

~~(6)~~ (5) A sheltered workshop recognized by the Department of Human Resources.

(b) An application for a refund allowed under this section must be made in accordance with G.S. 105-440 and must be signed by the chief executive officer of the entity. ~~The chief executive officer of the Department of Transportation is the Secretary of Transportation.~~ The chief executive officer of a county or municipal corporation is the officer designated by the governing body of the county or municipal corporation, such as the chair of a board of county commissioners or the mayor of a city. The chief executive officer of a nonprofit organization is the president of the organization or another officer of the organization designated in the charter or by-laws of the organization."

Sec. 3. G.S. 105-442 is repealed.

Sec. 4. G.S. 105-445, as amended by Section 16 of Chapter 538 of the 1991 Session Laws, reads as rewritten:

"§ 105-445. (Effective until January 1, 1995) Application of proceeds of gasoline tax.

The amount of revenue collected under this Article attributable to a per gallon excise tax of one-half cent (1/2¢) a gallon shall be credited in equal amounts to the Commercial Leaking Petroleum Underground Storage Tank Fund and the Groundwater Protection Loan Fund. Of the remaining tax revenue collected under this Article, seventy-five percent (75%) ~~tax~~ shall be credited to the Highway Fund and the remaining twenty-five percent (25%) shall be credited to the Highway Trust Fund. A proportionate share of a refund allowed under this Article shall be charged to the Commercial Leaking Petroleum Underground Storage Tank Fund, the Groundwater Protection Loan

Fund, the Highway Fund, and the Highway Trust Fund. The Secretary shall credit revenue or charge refunds to the appropriate Funds on a monthly basis."

Sec. 5. G.S. 105-445, as amended by Section 18 of Chapter 538 of the 1991 Session Laws, reads as rewritten:

"*§ 105-445. (Effective January 1, 1995, until January 1, 1999) Application of proceeds of gasoline tax.*

The amount of revenue collected under this Article attributable to a per gallon excise tax of one-quarter cent (1/4¢) a gallon shall be credited to the Commercial Leaking Petroleum Underground Storage Tank Fund. Of the remaining tax revenue collected under this Article, seventy-five percent (75%) ~~tax~~ shall be credited to the Highway Fund and the remaining twenty-five percent (25%) shall be credited to the Highway Trust Fund. A proportionate share of a refund allowed under this Article shall be charged to the Commercial Leaking Petroleum Underground Storage Tank Fund, the Highway Fund, and the Highway Trust Fund. The Secretary shall credit revenue or charge refunds to the appropriate Funds on a monthly basis."

Sec. 6. G.S. 105-445, as amended by Section 20 of Chapter 538 of the 1991 Session Laws, reads as rewritten:

"*§ 105-445. (Effective January 1, 1999) Application of proceeds of gasoline tax.*

~~Of the revenue collected under this Article, seventy-five~~ Seventy-five percent (75%) ~~tax~~ of the tax revenue collected under this Article shall be credited to the Highway Fund and the remaining twenty-five percent (25%) shall be credited to the Highway Trust Fund. A proportionate share of a refund allowed under this Article shall be charged to the Highway Fund and the Highway Trust Fund. The Secretary shall credit revenue or charge refunds to the appropriate Funds on a monthly basis."

Sec. 7. G.S. 105-449.26 reads as rewritten:

"*§ 105-449.26. User-sellers and certain suppliers must give receipts for and keep records of fuel sold at retail.*

(a) ~~Receipt.~~ Receipts and Records. -- ~~A~~ When required by this section, a user-seller and a supplier who is also a reseller but is licensed only as a supplier must give a receipt ~~to each person who buys~~ for and keep a record of certain fuel sold at retail from any of the following ~~locations either 25 gallons or more of fuel to propel a motor vehicle or any amount of diesel for any other purpose:~~ locations:

(1) A retail service station or other retail establishment operated by the user-seller or supplier.

(2) A bulk storage facility of the user-seller or supplier to which the buyer came to buy the fuel.

(3) Any other location at which the user-seller or supplier dispenses fuel into a motor vehicle.

If the fuel is sold to propel a motor vehicle, the user-seller or supplier must give the buyer a receipt only when the buyer asks for a receipt and must keep a record of any receipt given. If the fuel is diesel and is sold for a purpose other than to propel a motor vehicle, the user-seller or supplier must give the buyer a receipt only when the buyer asks for a receipt but must always keep a record of the sale unless subsection (c) exempts the user-seller or supplier from the requirement of keeping a record. ~~A user-seller or supplier shall prepare only one original receipt for each sale of fuel, shall give the original to the buyer at the time of the sale, and shall keep a copy of the receipt. A user-seller or supplier who gives a person a copy of a receipt shall clearly mark the copy as a duplicate.~~

If the Secretary determines that a user-seller or a supplier has sold nontaxpaid fuel at retail to propel a motor vehicle, the Secretary may require the user-seller or supplier to ~~give a receipt to each person who buys any amount of~~ keep a record of all fuel sold at retail to propel a motor vehicle. A user-seller or supplier who is required to keep a record of diesel sold at retail for a purpose other than to propel a motor vehicle is liable for the tax and the inspection fee on the diesel ~~sold for a purpose other than to propel a motor vehicle~~ if the user-seller or supplier does not ~~have a receipt for~~ keep a record of the ~~diesel sold.~~ sale.

(b) Content. -- A record of a sale and a receipt for a sale shall include all of the following information:

(1) The name and address of the user-seller or supplier.

(2) The name and address of the person buying the fuel.

(3) The date the fuel was sold.

(4) The amount of fuel sold.

(5) The type of fuel sold.

(6) The total sales price of the fuel.

(7) Either of the following:

a. The company name and company unit number of the motor vehicle into which the fuel was dispensed.

b. The license plate number of the motor vehicle into which the fuel was dispensed and the state that issued the license plate.

(8) If the fuel is diesel and is sold for a purpose other than to propel a motor vehicle, the type of container or equipment into which the fuel was dispensed.

(c) Exception. -- A user-seller or supplier who sells diesel at a marina from a storage facility whose location makes it improbable that the diesel could be dispensed for a purpose other than to propel a watercraft must keep a record of a sale only if the user-seller or supplier gives the buyer a receipt for the sale."

Sec. 8. G.S. 105-449.37(a) reads as rewritten:

"(a) Definitions. -- The following definitions apply in this Article:

(1) Motor carrier. -- ~~Every person, firm, or corporation~~ A person who operates or causes to be operated on any highway in this State a motor vehicle ~~used, designed, or maintained for transportation of persons or property and (i) having two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds, (ii) having three or more axles regardless of weight, or (iii) used in combination when the weight of the combination exceeds 26,000 pounds gross vehicle weight,~~ that is a qualified motor vehicle under the International Fuel Tax Agreement. The term does not include the United States, the State, or a political subdivision of the State.

(1a) Motor vehicle. -- A motor vehicle as defined in G.S. ~~20-4.01(23) except that the term does not include~~ 20-4.01(23), other than special mobile equipment as defined in G.S. ~~20-4.01(44) or recreational vehicles.~~ 20-4.01(44).

(2) Operations. -- Operations of all motor vehicles described in subdivision (1), whether loaded or empty and whether or not operated for compensation.

(2a) Person. -- An individual, a firm, a partnership, an association, a corporation, or any other organization or group acting as a unit.

(3) Secretary. -- The Secretary of Revenue."

Sec. 9. G.S. 105-449.42A(c) reads as rewritten:

"(c) Liability. -- ~~Subsections (a) and (b) govern the primary liability of lessors and lessees of motor vehicles under this Article. Both~~ An independent contractor who leases a motor vehicle to another for fewer than 30 days is liable for compliance with this Article and the person to whom the motor vehicle is leased is not liable. Otherwise, both the lessor and ~~lessee, however,~~ lessee of a motor vehicle are jointly and severally liable for compliance with this Article."

Sec. 10. G.S. 105-449.49 reads as rewritten:

"§ *105-449.49. Temporary permits.*

Upon application to the Secretary and payment of a fee of ~~twenty-five dollars ($25.00),~~ fifty dollars ($50.00), a motor carrier may obtain a temporary permit authorizing the carrier to operate a vehicle in the State without registering the vehicle in accordance with

G.S. 105-449.47 for not more than 20 days. A motor carrier to whom a temporary permit has been issued may elect not to report its operation of the vehicle during the 20-day period. The Secretary may refuse to issue a temporary permit to any of the following:

(1) A motor carrier whose registration has been withheld or revoked.

(2) A motor carrier who the Secretary determines is evading payment of tax through the successive purchase of temporary permits."

Sec. 11. G.S. 105-449.52(a) reads as rewritten:

"(a) Penalty. -- A motor carrier who operates in this State or causes to be operated in this State a motor vehicle that does not carry the registration card required by this Article or does not display an identification marker in accordance with this Article is subject to a civil penalty of ~~seventy-five dollars ($75.00).~~ one hundred dollars ($100.00). The penalty is payable to the Department of Revenue or the Division of Motor Vehicles. When a motor vehicle is found to be operating without a registration card or an identification marker, the motor vehicle may not be driven for a purpose other than to park the motor vehicle until the penalty imposed under this section is paid unless the officer that imposes the penalty determines that operation of the motor vehicle will not jeopardize collection of the penalty."

Sec. 12. G.S. 119-18 reads as rewritten:

"*§ 119-18. Inspection fee; allotments for administration expenses.*

For the purpose of defraying the expenses of enforcing the provisions of this Article there shall be paid to the Secretary of Revenue a charge of one fourth of one cent (1/4 of 1¢) per gallon upon all kerosene and motor fuel. The inspection tax ~~shall be~~ is due and payable to the Secretary of Revenue at the same time that the per gallon excise tax is due and payable under ~~the provisions of G.S. 105-434 to 105-436, and payment shall be made concurrently with payment of said per gallon excise tax, unless the Secretary of Revenue shall by rule and regulation prescribe other methods for the collection of such tax.~~ Articles 36 and 36A of Chapter 105 of the General Statutes. There shall, from time to time, be allotted by the Office of State Budget and Management, from the inspection fees collected under authority of the inspection laws of this State, such sums as may be necessary to administer and effectively enforce the provisions of the inspection laws.

No county, city, or town shall impose any inspection charge, tax, or fee, in the nature of the charge prescribed by this section, upon kerosene and motor fuel. Distributors of kerosene licensed under G.S. 119-16.2 shall file reports as required by the Secretary of Revenue, by not later than the twentieth of each month, and remit to the Secretary

of Revenue one quarter of a cent (1/4 of 1¢) inspection fee per gallon on all kerosene received during the preceding month."

Sec. 13. G.S. 105-449.2(8) reads as rewritten:

"(8) Reseller. -- Either of the following:

a. A person who maintains storage facilities for diesel and who sells the diesel at retail or dispenses the diesel at a retail location.

b. A person who maintains storage facilities for fuel, other than diesel, and who sells the fuel at retail or dispenses the fuel at a retail location into the supply tank of, or attached to, a motor vehicle."

Sec. 14. G.S. 105-130.27(g) reads as rewritten:

"(g) Expiration. -- This section applies only to costs incurred during taxable years beginning prior to January 1, ~~1994~~, 1996."

Sec. 15. G.S. 105-151.6(g) reads as rewritten:

"(g) Expiration. -- This section applies only to costs incurred during taxable years beginning prior to January 1, ~~1994~~, 1996."

Sec. 16. Section 5 of this act becomes effective January 1, 1995. Section 6 of this act becomes effective January 1, 1999. Sections 10 and 11 of this act become effective on the first day of the second month after ratification. The remaining sections of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 1015 **CHAPTER 914**

AN ACT TO RELIEVE A SELLER WHO SELLS PROPERTY UNDER A CERTIFICATE OF RESALE OF THE BURDEN OF PROVING THAT THE SALE WAS FOR RESALE AND TO PROVIDE A PENALTY FOR A PURCHASER WHO MISUSES A CERTIFICATE OF RESALE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.28 reads as rewritten:

"§ *105-164.28.* ~~*Resale certificate.*~~ *Certificate of resale.*

A seller who accepts a certificate of resale from a purchaser of tangible personal property has the burden of proving that the sale was not a retail sale unless all of the following conditions are met:

(1) The seller acted in good faith in accepting the certificate of resale.

(2) The certificate is in the form required by the Secretary.

(3) The certificate is signed by the purchaser, states the purchaser's name, address, and registration number, and

describes the type of tangible personal property generally sold by the purchaser in the regular course of business.

(4) The purchaser is licensed under this Article or under the law of another taxing jurisdiction.

(5) The purchaser is engaged in the business of selling tangible personal property of the type sold.

A purchaser who does not resell property purchased under a certificate of resale is liable for any tax subsequently determined to be due on the sale. A seller of property sold under a certificate of resale is jointly liable with the purchaser of the property for any tax subsequently determined to be due on the sale only if the Secretary proves that the sale was a retail sale.

~~The burden of proof that a sale of tangible personal property is not a sale at retail is upon the wholesale merchant or retailer who makes the sale unless he takes from the purchaser a certificate to the effect that the property is for resale. With respect to sales for resale the certificate relieves the wholesale merchant from the burden of proof only if taken in good faith from a person who is engaged in the business of selling tangible personal property and who holds the license provided for in this Article. The certificate shall be signed by and bear the name and address of the purchaser, shall indicate the registration number issued to the purchaser and shall indicate the general character of the tangible personal property generally sold by the purchaser in the regular course of business. The certificate of resale shall be in such form as the Secretary shall prescribe. It shall be the duty of every wholesale merchant selling tangible personal property to a retailer for resale to make reasonable and prudent inquiry concerning the type and character of the tangible personal property as it relates to the principal business of the retailer.~~"

Sec. 2. G.S. 105-236 is amended by adding a new subdivision to read:

"(5a) Misuse of Certificate of Resale. -- For misuse of a certificate of resale by a purchaser, the Secretary shall assess an additional tax, as a penalty, of two hundred fifty dollars ($250.00)."

Sec. 3. This act is effective upon ratification and applies to sales made on or after that date.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 1076 **CHAPTER 915**

AN ACT TO AUTHORIZE THE CITY OF ALBEMARLE TO LEVY A ROOM OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) Authorization and scope. The Albemarle City Council may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of up to five percent (5%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) Collection. Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records, and shall be paid by the purchaser to the operator of the business as trustee for and on account of the city. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The city shall design, print, and furnish to all appropriate businesses and persons in the city the necessary forms for filing returns and instructions to ensure the full collection of the tax.

(c) Administration. The city shall administer a tax levied under this section. A tax levied under this section is due and payable to the city finance officer in monthly installments on or before the fifteenth day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the fifteenth day of each month, prepare and render a return on a form prescribed by the city. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied.

A return filed with the city finance officer under this section is not a public record as defined by G.S. 132-1 and may not be disclosed except as required by law.

(d) Penalties. A person, firm, corporation, or association who fails or refuses to file the return required by this section shall pay a penalty of ten dollars ($10.00) for each day's omission. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid. The city council may, for good cause shown,

compromise or forgive the additional tax penalties imposed by this subsection.

Any person who willfully attempts in any manner to evade a tax imposed under this section or who willfully fails to pay the tax or make and file a return shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a fine not to exceed one thousand dollars ($1,000), imprisonment not to exceed six months, or both.

(e) Use of tax proceeds. The Albemarle City Council shall decide on the allocation of the revenue collected from this tax annually during its budgeting process, with particular consideration given to providing funds for purposes of economic development, public safety, and parks and recreation.

(f) Effective date of levy. A tax levied under this section shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the month after the date the resolution is adopted.

(g) Repeal. A tax levied under this section may be repealed by a resolution adopted by the Albemarle City Council. Repeal of a tax levied under this section shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied under this section does not affect a liability for a tax that was attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 1115 **CHAPTER 916**

AN ACT TO MAKE THE FEE FOR A COMMERCIAL DRIVER LEARNER'S PERMIT THE SAME AS THE FEE FOR A REGULAR LEARNER'S PERMIT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-37.13(e) reads as rewritten:

"(e) A commercial driver learner's permit may be issued to an individual who holds a regular Class C drivers license ~~who~~ and has passed the knowledge test for the class and type of commercial motor vehicle the individual will be driving. The permit is valid for a period not to exceed six months and may be renewed or reissued only once within a two-year period. The fee for a commercial driver learner's

permit is ~~five dollars ($5.00).~~ the same as the fee set by G.S. 20-7 for a regular learner's permit. G.S. 20-7(m) governs the issuance of a restricted instruction permit for a prospective school bus driver."

Sec. 2. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 1245 **CHAPTER 917**

AN ACT TO PROVIDE THAT JOINT AGENCIES CREATED BY INTERLOCAL AGREEMENT TO OPERATE PUBLIC BROADCASTING TELEVISION STATIONS ARE ELIGIBLE FOR SALES TAX REFUNDS PROVIDED TO GOVERNMENTAL ENTITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.14(c) reads as rewritten:

"(c) Certain Governmental Entities. Upon receipt of timely applications for refund, the Secretary of Revenue shall make refunds annually to all governmental entities, as hereinafter defined, of sales and use tax paid under this Article, except under G.S. 105-164.4(4a) and G.S. 105-164.4(4c), by said governmental entities on direct purchases of tangible personal property. Sales and use tax liability indirectly incurred by such governmental entities on building materials, supplies, fixtures and equipment which shall become a part of or annexed to any building or structure being erected, altered or repaired which is owned or leased by such governmental entities shall be construed as sales or use tax liability incurred on direct purchases by such governmental entities, and such entities may obtain refunds of such taxes indirectly paid. The refund provisions contained in this subsection shall not apply to any governmental entities not specifically named herein. In order to receive the refund herein provided for, governmental entities shall file a written request for said refund within six months of the close of the fiscal year of the governmental entities seeking said refund, and such request for refund shall be substantiated by such records, receipts and information as the Secretary may require. No refunds shall be made on applications not filed within the time allowed by this section and in such manner as the Secretary may otherwise require. The term 'governmental entities,' for the purposes of this subsection, shall mean all counties, incorporated cities and towns, water and sewer authorities created and existing under the provisions of Chapter 162A of the General Statutes, lake authorities created by a board of county commissioners pursuant to an act of the General Assembly, sanitary districts, regional councils of governments

created pursuant to G.S. 160A-470, area mental health, mental retardation, and substance abuse authorities (other than single-county area authorities) established pursuant to Article 4 of Chapter 122C of the General Statutes, district health departments, regional planning and economic development commissions created pursuant to G.S. 158-14, regional sports authorities created pursuant to G.S. 160A-479, regional economic development commissions created pursuant to G.S. 158-8, regional planning commissions created pursuant to G.S. 153A-391, regional solid waste management authorities created pursuant to G.S. 153A-421, metropolitan sewerage districts and metropolitan water districts in this State, the North Carolina Low-Level Radioactive Waste Management Authority created pursuant to Chapter 104G of the General Statutes, the North Carolina Hazardous Waste Management Commission created pursuant to Chapter 130B of the General Statutes, a joint agency created by interlocal agreement pursuant to G.S. 160A-462 to operate a public broadcasting television station, and the Rockingham County Airport Authority. Notwithstanding the foregoing provisions of this subsection, the constituent institutions of The University of North Carolina may obtain in the manner prescribed by this subsection a refund of sales and use tax paid by them on or after January 1, 1992, for tangible personal property acquired by them through the expenditure of contract and grant funds."

Sec. 2. This act is effective upon ratification and applies to sales and use taxes paid on or after July 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 1270 **CHAPTER 918**

AN ACT TO PROVIDE FOR FILLING OF A VACANCY ON THE WHITEVILLE CITY BOARD OF EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. Pursuant to Chapter 172, Session Laws of 1977, Angelia H. Reaves is appointed to the Board of Education for the Whiteville City School Administrative Unit to fill the remainder of the unexpired term of Lana S. White.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1006 **CHAPTER 919**

AN ACT TO MAINTAIN AND STRENGTHEN THE CURRENT ADMINISTRATION OF STATE GOVERNMENT'S EQUAL EMPLOYMENT OPPORTUNITY PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. It is the policy of the State of North Carolina to provide equal employment opportunities for all State employees and for all applicants for State employment without regard to race, sex, religion, color, national origin, age, or disability. To this end, policies have been adopted by the State Personnel Commission and an equal employment opportunity program has been established which emphasizes taking positive measures to assure equitable and fair treatment of women, minorities, disabled persons, and older persons within all levels and phases of personnel practices within State government including but not limited to recruitment, hiring, compensation, benefits, promotions, transfers, layoffs, recall from layoffs, performance appraisals, training and other terms, and conditions of employment.

Sec. 2. Each member of the Council of State under G.S. 143A-11, each of the principal departments enumerated in G.S. 143B-6, The University of North Carolina, the judicial branch, and the legislative branch, shall develop and submit an Equal Employment Opportunity plan which shall include goals and programs that provide positive measures to assure equitable and fair representation of North Carolina's citizens. The plans developed by the judicial branch and by the Legislative Services Office on behalf of the legislative branch shall be submitted to the General Assembly on or before June 1 of each year. All other such plans shall be submitted to the State Personnel Director for review and approval on or before March 1, of each year.

Sec. 3. The State Personnel Commission shall submit a report to the General Assembly concerning the status of Equal Employment Opportunity plans and programs for all State departments, agencies, universities, which are required by this Chapter to report to the State Personnel Director, on or before June 1 of each year. If any plan has been disapproved, the report shall contain reasons for disapproval. The status report submitted to the General Assembly by the State Personnel Director and the plans submitted to the General Assembly by the judicial branch and the Legislative Services Office on behalf of the legislative branch shall contain the total number of persons employed in each job category, the race, sex, salary, and other demographics relative to persons hired and promoted during the

reporting period, analysis of the data, and an indication as to which goals were achieved.

Sec. 4. The State Personnel Director shall at least maintain current services of Equal Employment Opportunity technical assistance, training, oversight, monitoring, evaluation, support programs, and reporting to assure that State government's work force at all occupational levels reflect North Carolina's population. To the extent reasonably possible, these services shall be provided by qualified personnel who have continuous experience in the field of Equal Employment Opportunity and affirmative action and who are sensitive to circumstances and experiences of individuals from diverse backgrounds and cultures, and recognize that efficient and effective government requires the talents, skills, and abilities of all available human resources.

Sec. 5. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1322 **CHAPTER 920**

AN ACT TO INCREASE THE AMOUNT OF BEER A MINI-BREWERY CAN SELL TO CONSUMERS AT THE BREWERY AND TO MAKE CHANGES TO THE ALCOHOLIC BEVERAGE LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-101(10) reads as rewritten:

"(10) 'Mixed beverage' means ~~a~~ either of the following:

a. A drink composed in whole or in part of spirituous liquor and served in a quantity less than the quantity contained in a closed package.

b. A premixed cocktail served from a closed package containing only one serving."

Sec. 2. G.S. 18B-404 reads as rewritten:

"*§ 18B-404. Additional provisions for purchase and transportation by mixed beverage permittees.*

(a) Designated Employee. -- A mixed beverages permittee may designate an employee to purchase and transport spirituous liquor as authorized by ~~his~~ the permittee's permit.

(b) Issuance. -- If mixed beverages sales have been approved for an establishment under the last paragraph of G.S. 18B-603(d) or under G.S. 18B-603(e), the purchase-transportation permit for that establishment may be issued by the local board of any city located in the same county as the establishment, provided the city has approved

the sale of mixed beverages. Otherwise a licensed establishment may obtain a mixed beverages purchase-transportation permit only from the local board for the jurisdiction in which it is located.

(c) Designated Store. -- A local board may designate a store within its system to make sales to mixed beverages permittees.

(d) Size of Bottles. -- A purchase-transportation permit for a mixed beverages permittee shall authorize the purchase and transportation only of ~~375~~ 355 milliliter or larger containers. A purchase-transportation permit for a mixed beverages permittee who is also a guest room cabinet permittee may authorize the purchase and transportation of containers in sizes approved by the Commission.

~~(d1) (1) Size of Bottles. -- A purchase-transportation permit for a mixed beverages permittee shall authorize the purchase and transportation only of 375 milliliter or larger containers. A purchase-transportation permit for a mixed beverages permittee who is also a guest room cabinet permittee may authorize the purchase and transportation of containers in sizes approved by the Commission.~~

~~(2) This subsection applies to those counties subject to G.S. 18B-600(f). This subsection also applies to those counties which have a population in excess of 150,000 by the last federal census.~~"

Sec. 3. G.S. 18B-804(b)(9) reads as rewritten:

"(9) If the spirituous liquor is sold to a guest room cabinet permittee for resale, a charge of twenty dollars ($20.00) on each four liters and a proportional sum on lesser quantities. ~~This subdivision applies to those counties subject to G.S. 18B-600(f). This subdivision also applies to those counties which have a population in excess of 150,000 by the last federal census.~~"

Sec. 4. G.S. 18B-805 reads as rewritten:

"*§ 18B-805. Distribution of revenue.*

(a) Gross Receipts. -- As used in this section, 'gross receipts' means all revenue of a local board, including proceeds from the sale of alcoholic beverages, investments, interest on deposits, and any other source.

(b) Primary Distribution. -- Before making any other distribution, a local board shall first pay the following from its gross receipts:

(1) The board shall pay the expenses, including salaries, of operating the local ABC system.

(2) Each month the local board shall pay to the Department of Revenue the taxes due the Department. In addition to the taxes levied under Chapter 105 of the General Statutes, the local board shall pay to the Department one-half of both the

mixed beverages surcharge required by G.S. ~~18B-804(b)(8),~~ 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9).

(3) Each month the local board shall pay to the Department of Human Resources five percent (5%) of both the mixed beverages surcharge required by G.S. ~~18B-804(b)(8),~~ 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9). The Department of Human Resources shall spend those funds for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse.

(4) Each month the local board shall pay to the county commissioners of the county where the charge is collected the proceeds from the bottle charge required by G.S. 18B-804(b)(6), to be spent by the county commissioners for the purposes stated in subsection (h) of this section.

(c) Other Statutory Distributions. -- After making the distributions required by subsection (b), a local board shall make the following quarterly distributions from the remaining gross receipts:

(1) Before making any other distribution under this subsection, the local board shall set aside the clear proceeds of the three and one-half percent (3 1/2%) markup provided for in G.S. 18B-804(b)(5) and the bottle charge provided for in G.S. 18B-804(b)(6b), to be distributed as part of the remaining gross receipts under subsection (e) of this section.

(2) The local board shall spend for law enforcement an amount set by the board which shall be at least five percent (5%) of the gross receipts remaining after the distribution required by subdivision (1). Notwithstanding the provisions of any local act, this provision shall apply to all local boards.

(3) The local board shall spend, or pay to the county commissioners to spend, for the purposes stated in subsection (h), an amount set by the board which shall be at least seven percent (7%) of the gross receipts remaining after the distribution required by subdivision (1). This provision shall not be applicable to a local board which is subject to a local act setting a different distribution.

(d) Working Capital. -- After making the distributions provided for in subsections (b) and (c), the local board may set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system. With the approval of the appointing authority for the board, the local board may also set aside a portion of the remaining gross receipts as a fund for specific capital improvements.

(e) Other Distributions. -- After making the distributions provided in subsections (b), (c), and (d), the local board shall pay each quarter the remaining gross receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is provided for by law. If the governing body of each city and county receiving revenue from an ABC system agrees, those governing bodies may alter at any time the distribution to be made under this subsection or under any local act. Copies of the governing body resolutions agreeing to a new distribution formula and a copy of the approved new distribution formula shall be submitted to the Commission for review and audit purposes. If any one of the governing bodies later withdraws its consent to the change in distribution, profits shall be distributed according to the original formula, beginning with the next quarter.

(f) ~~Mixed Beverage~~ Surcharge Profit Shared. -- When, pursuant to the last paragraph of G.S. 18B-603(d), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located outside the city, the local board operating the store at which the sale is made shall retain seventy-five percent (75%) of the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) and the remaining twenty-five percent (25%) shall be divided equally among the local ABC boards for all other cities in the county that have authorized the sale of mixed beverages.

When, pursuant to G.S. 18B-603(e), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located at an airport outside the city, the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) shall be divided equally among the local ABC boards for all cities in the county that have authorized the sale of mixed beverages.

(g) Quarterly Distributions. -- When this section requires a distribution to be made quarterly, at least ninety percent (90%) of the estimated distribution shall be paid to the recipient by the local board within 30 days of the end of that quarter. Adjustments in the amount to be distributed resulting from the closing of the books and from audit shall be made with the next quarterly payment.

(h) Expenditure of Alcoholism Funds. -- Funds distributed under subdivisions (b)(4) and (c)(3) of this section shall be spent for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse. The minutes of the board of county commissioners or local board spending funds allocated under this subsection shall describe the activity for which the funds are to be spent. Any agency or person receiving funds from the county

commissioners or local board under this subsection shall submit an annual report to the board of county commissioners or local board from which funds were received, describing how the funds were spent.

(i) Calculation of Statutory Distributions When Liquor Sold at Less Than Uniform Price. -- If a local board sells liquor at less than the uniform State price, distributions required by subsections (b) and (c) shall be calculated as though the liquor was sold at the uniform price."

Sec. 5. G.S. 18B-902(d)(30) reads as rewritten:

"(30) Guest room cabinet permit. -- $750.00. ~~This subdivision applies to those counties subject to G.S. 18B-600(f). This subdivision also applies to those counties which have a population in excess of 150,000 by the last federal census.~~"

Sec. 6. G.S. 18B-903 reads as rewritten:

"*§ 18B-903. Duration of permit; renewal and transfer.*

(a) Duration. -- Once issued, ABC permits shall be valid for the following periods, unless earlier surrendered, suspended or revoked:

(1) On-premises and off-premises malt beverage, unfortified wine, and fortified wine permits; culinary permits; and all permits listed in G.S. 18B-1100 shall remain valid indefinitely;

(2) Limited special occasion permits shall be valid for 48 hours before and after the occasion for which the permit was issued;

(3) Special one-time permits issued under G.S. 18B-1002 shall be valid for the period stated on the permit;

(4) Temporary permits issued under G.S. 18B-905 shall be valid for 90 days; and

(5) All other ABC permits shall be valid for one year, from May 1 to April 30.

(b) Renewal. -- Application for renewal of an ABC permit shall be on a form provided by the Commission. An application for renewal shall be accompanied by an application fee of twenty-five percent (25%) of the original application fee set in G.S. 18B-902, except that the renewal application fee for ~~a~~ each mixed beverages permit and each guest room cabinet permit shall be five hundred dollars ($500.00). A renewal fee shall not be refundable.

~~(b1) Renewal. -- Application for renewal of an ABC permit shall be on a form provided by the Commission. An application for renewal shall be accompanied by an application fee of twenty-five percent (25%) of the original application fee set in G.S. 18B-902, except that the renewal application fee for each mixed beverages permit and each~~

~~guest room cabinet permit shall be five hundred dollars ($500.00). A renewal fee shall not be refundable.~~

~~This subsection applies to those counties subject to G.S. 18B-600(f). This subsection also applies to those counties which have a population in excess of 150,000 by the last federal census.~~

(c) Change in Ownership. -- All permits for an establishment shall automatically expire and shall be surrendered to the Commission if:

(1) Ownership of the establishment changes; or

(2) There is a change in the membership of the firm, association or partnership owning the establishment, involving the acquisition of a twenty-five percent (25%) or greater share in the firm, association or partnership by someone who did not previously own a twenty-five percent (25%) or greater share; or

(3) Twenty-five percent (25%) or more of the stock of the corporate permittee owning the establishment is acquired by someone who did not previously own twenty-five percent (25%) or more of the stock.

(d) Change in Management. -- A corporation holding a permit for an establishment for which the manager is required to qualify as an applicant under G.S. 18B-900(c) shall, within 30 days after employing a new manager, submit to the Commission an application for substitution of a manager. The application shall be signed by the new manager, shall be on a form provided by the Commission, and shall be accompanied by a fee of ten dollars ($10.00). The fee shall not be refundable.

(e) Transfer. -- An ABC permit may not be transferred from one person to another or from one location to another.

(f) Lost Permits. -- The Commission may issue duplicate ABC permits for an establishment when the existing valid permits have been lost or damaged. The request for duplicate permits shall be on a form provided by the Commission, certified by the permittee and the Alcohol Law Enforcement Division, and accompanied by a fee of ten dollars ($10.00).

(g) Name Change. -- The Commission may issue new permits to a permittee upon application and payment of a fee of ten dollars ($10.00) for each location when the permittee's name or name of the business is changed."

Sec. 7. G.S. 18B-1001(13) reads as rewritten:

"(13) Guest Room Cabinet Permit. -- A guest room cabinet permit authorizes a hotel having a mixed beverages permit to sell to its room guests, from securely locked cabinets, malt beverages, unfortified wine, fortified wine, and spirituous liquor. A permittee shall designate and

maintain at least ten percent (10%) of the permittee's guest rooms as rooms that do not have a guest room cabinet. A permittee may dispense alcoholic beverages from a guest room cabinet only in accordance with written policies and procedures filed with and approved by the Commission. A ~~permitee~~ permittee shall provide a reasonable number of vending machines, ~~coolers~~ coolers, or similar machines on premises for the sale of soft drinks to hotel guests.

A guest room cabinet permit may be issued for any of the following:

a. A hotel located in a county ~~This subdivision applies to those counties~~ subject to G.S. 18B-600(f).

b. A hotel located in a county that has ~~This subdivision also applies to those counties which have~~ a population in excess of 150,000 by the last federal census."

Sec. 8. G.S. 18B-1007 reads as rewritten:

"*§ 18B-1007. Additional requirements for mixed beverages permittees.*

(a) Purchases. -- A mixed beverages permittee may purchase spirituous liquor for resale as mixed beverages and a guest room cabinet permittee may purchase spirituous liquor for resale from a guest room cabinet only at an ABC store designated by a local board and only with a purchase-transportation permit issued by that local board under G.S. 18B-403 and 18B-404.

(b) Handling Bottles. -- It shall be unlawful for a mixed beverages permittee or ~~his~~ the permittee's agent or employee to do any of the following:

(1) Store any other spirituous liquor with liquor possessed for resale in mixed ~~beverages;~~

~~(1a) Store any other spirituous liquor with liquor possessed for resale in mixed~~ beverages or from a guest room cabinet. ~~This subdivision applies to those counties subject to G.S. 18B-600(f). This subdivision also applies to those counties which have a population in excess of 150,000 by the last federal census.~~

(2) Refill any spirituous liquor container having a mixed beverages tax stamp with any other alcoholic beverage, or add to the contents of such a container any other alcoholic ~~beverage;~~ beverage.

(3) Transfer from one container to another a mixed beverages tax stamp.

(c) Price List. -- Each mixed beverages permittee shall have available for its customers the printed prices of the most common or popular mixed beverages offered for sale by the permittee. Violation

of this subsection shall not be a criminal offense, but shall be punishable under G.S. 18B-104.

(d) When a temporary mixed beverages permit has been issued to a new permittee for the continuation of a business at the same location, the permittee going out of business may sell existing mixed beverages inventory to the new permittee, and the Commission may request that the local ABC board restamp the inventory with the mixed beverages tax stamp assigned by the local board to the new mixed beverages permittee."

Sec. 9. G.S. 18B-1104(7) reads as rewritten:

"(7) In areas where the sale is legal, sell the brewery's malt beverages at the brewery upon receiving a permit under G.S. 18B-1001(1). This authorization ~~shall apply~~ applies to ~~breweries~~ a brewery that ~~produce~~ sells, to consumers at the brewery, to wholesalers, and to exporters, fewer than ~~62,000~~ 310,000 gallons of malt beverages produced by it per year."

Sec. 10. G.S. 18B-101 (13a) reads as rewritten:

"(13a) 'Special ABC area' means an area in a city or county, either unincorporated or incorporated, with less than ~~100~~ 500 permanent residents that:

(1) Borders on another state;

(2) Where ABC stores are permitted in one or more cities in the county;

(3) Where the on-premises or off-premises sale of unfortified wines and malt beverages by qualified persons and establishments, including persons and establishments qualified under G.S. 18B-603(c) or G.S. 18B-603(d), is permitted countywide or in two or more cities in the county; and such area

(a) Contains more than ~~1000~~ 500 acres and is made up of privately-owned land and land owned by an association or club having more than 200 members and created for municipal and recreational purposes;

(b) Which for three or more years has levied assessments or dues and provided municipal services; and

(c) Is incorporated as a municipality or has within such area a private association or club that has been determined or is treated by the Internal Revenue Service to be exempt from tax on member source or exempt function income."

Sec. 11. G.S. 18B-603(h) is rewritten to read:

"(h) Permits Based on Existing Permits. -- In any county in which the sale of malt beverage on and off premises, the sale of unfortified wine on and off premises, the sale of mixed beverages, and the operation of an ABC system has been allowed in at least six cities in the county, or in any county adjacent to that county in which an ABC system has been allowed and which borders on the Atlantic Ocean, the Commission may issue permits to sports clubs as defined in G.S. 18B-1000(8) throughout the county. The Commission may issue the following permits:

(1) On and Off Premises Malt Beverage;
(2) On and Off Premises Unfortified Wine;
(3) On and Off Premises Fortified Wine; or
(4) Mixed Beverage.

Retail establishments holding mixed beverage permits shall purchase their spirituous liquor at the nearest municipal ABC system store. The Commission may also issue on-premises malt beverage, unfortified wine, fortified wine and mixed beverages permits to a sports club located in a county adjacent to any county that has approved the sale of mixed beverages pursuant to the last paragraph of G.S. 18B-603(d), if the county in which the sports club is located borders another state and has at least one city that has approved the sale of mixed beverages. Sports clubs holding mixed beverages permits shall purchase their spirituous liquor at the nearest municipal ABC system store that has been designated for such purchases."

Sec. 12. G.S. 18B-1006 is amended by adding a new subsection to read:

"(k) Special Private Club Permits. -- The Commission may issue permits listed in G.S. 18B-1001 to qualified persons and establishments located within a private club located in a private development, without approval at an election:

(1) In any county which has a population of less than 45,000 by the last federal census, and in which there are at least three but not more than four cities that have approved the sale of malt beverages or unfortified wine; and
   a. Only one city in the county has approved the on-premises sale of malt beverages, and
   b. At least two cities in the county have approved the operation of ABC stores before the ratification date of this section; or
(2) In any county bordering on a county that has called elections pursuant to G.S. 18B-600(f); and
   a. The issuance of permits in unincorporated areas of the county has not been approved, and

b. Not more than three cities in the county have approved the operation of ABC stores before the ratification date of this section.

The mixed beverages transportation permit authorized by G.S. 18B-404(b) shall be issued by a local board operating a store located in the county. A private club located in the county is defined as a club or lodge located in a privately owned, primarily residential and recreational development, which is open only to members by invitation of the club's board of directors and the guests of these members."

Sec. 13. G.S. 18B-603(f2) reads as rewritten:

"(f2) Permits for Special ABC Areas. -- The Commission may issue the permits provided for in G.S. 18B-1001(1), G.S. 18B-1001(2), G.S. 18B-1001(3), G.S. 18B-1001(4), G.S. 18B-1001(5), G.S. 18B-1001(6), and G.S. 18B-1001(10) to qualified persons and ~~establishments, not open to the public,~~ establishments located within a Special ABC area as defined in G.S. 18B-101, provided that: (i) if such area is a municipal corporation, the area shall conduct an election authorized by subdivision (a)(4) of G.S. 18B-600, which election may be held regardless of the number of registered voters located within the municipal corporation; or (ii) if such area is unincorporated but has within such area a private association or club, the board of such private association or club shall call and conduct a special meeting at which meeting a majority of private association members, club members, lot and home owners, votes and approves the sale of mixed beverages, and the board certifies the results of such meeting to the Alcoholic Beverage Control Commission. The mixed beverages purchase-transportation permit authorized by G.S. 18B-404(b) shall be issued by a local board operating a store located in the same county as the Special ABC area."

Sec. 14. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1325 **CHAPTER 921**

AN ACT TO MAKE CONFORMING CHANGES TO THE CORPORATE INCOME TAX ON UNRELATED BUSINESS INCOME OF EXEMPT CORPORATIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.11 reads as rewritten:

"§ *105-130.11. Conditional and other exemptions.*

(a) Exempt Organizations. -- Except as provided in subsections (b) and (c), the following organizations and any organization that is

exempt from federal income tax under the Code are exempt from the tax imposed under this Division.

(1) Fraternal beneficiary societies, orders or associations
   a. Operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system, and
   b. Providing for the payment of life, sick, accident, or other benefits to the members of such society, order or association, or their ~~dependents;~~ dependents.

(2) ~~Every building~~ Building and loan associations ~~[association],~~ and savings and loan associations subject to tax under Article 8D of this Chapter; ~~and any~~ cooperative banks without capital stock organized and operated for mutual purposes and without ~~profit,~~ profit; and electric and telephone membership corporations organized under Chapter 117 of the General ~~Statutes;~~ Statutes.

(3) Cemetery corporations and corporations organized for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or ~~individual;~~ individual.

(4) Business leagues, chambers of commerce, merchants' associations, or boards of trade not organized for profit, and no part of the net earnings of which inures to the benefit of any private stockholder or ~~individual;~~ individual.

(5) Civic leagues or organizations not organized for profit, but operated exclusively for the promotion of social ~~welfare;~~ welfare.

(6) Clubs organized and operated exclusively for pleasure, recreation, and other nonprofitable purposes, no part of the net earnings of which inures to the benefit of any private stockholder or ~~member;~~ member.

(7) Farmers' or other mutual hail, cyclone, or fire insurance companies, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations of a purely local character the income of which consists solely of assessments, ~~dues~~ dues, and fees collected from members for the sole purpose of meeting ~~expenses;~~ expenses.

(8) Farmers', fruit growers', or like organizations organized and operated as sales agents for the purpose of marketing the products of members and turning back to them the proceeds of sales, less the necessary selling expenses, on

the basis of the quantity of product furnished by ~~them;~~ them.

(9) Mutual associations formed under G.S. 54-111 through 54-128 to conduct agricultural business on the mutual plan and marketing associations organized under G.S. 54-129 through 54-158.

Nothing in this subdivision shall be construed to exempt any cooperative, mutual ~~association~~ association, or other organization from an income tax on net income ~~which~~ that has not been refunded to patrons on a patronage basis and distributed either in cash, stock, or certificates, or in some other manner that discloses ~~to each patron~~ the amount of ~~his patronage~~ each patron's refund. Provided, in arriving at net income for purposes of this subdivision, no deduction shall be allowed for dividends paid on capital stock. Patronage refunds made after the close of the taxable year and on or before the fifteenth day of the ninth month following the close of ~~such~~ the taxable year ~~shall be~~ are considered as to be made on the last day of ~~such~~ the taxable year to the extent the allocations are attributable to income derived before the close of ~~such~~ the year; provided, that no stabilization or marketing organization ~~which~~ that handles agricultural products for sale for producers on a pool basis ~~shall be deemed~~ is considered to have realized any net income or profit in the disposition of a pool or any part of a pool until all of the products in that pool ~~shall~~ have been sold and the pool ~~shall have~~ has been closed; provided, further, that a pool ~~shall not be deemed~~ is not considered closed until the expiration of at least 90 days after the sale of the last remaining product in that pool. ~~Such~~ These cooperatives and other organizations shall file an annual information return with the Secretary ~~of Revenue~~ on forms to be furnished by the Secretary and shall include ~~therein~~ the names and addresses of all persons, ~~patrons and/or shareholders,~~ patrons, or shareholders whose patronage refunds amount to ten dollars ($10.00) or ~~more; and~~ more.

(10) Insurance companies paying the tax on gross premiums as specified in G.S. 105-228.5.

(11) Corporations or organizations, such as condominium associations, homeowner associations, or cooperative housing corporations not organized for profit, the membership of which is limited to the owners or occupants of residential units in the condominium, housing ~~development~~ development, or cooperative housing

corporation, and operated exclusively for the management, operation, preservation, ~~maintenance~~ maintenance, or landscaping of the common areas and facilities owned by ~~such~~ the corporation or organization or its members situated contiguous to ~~such~~ the houses, ~~apartments~~ apartments, or other dwellings or for the management, operation, preservation, ~~maintenance~~ maintenance, and repair of ~~such~~ the houses, ~~apartments~~ apartments, or other dwellings owned by the corporation or organization or its members, but only if no part of the net earnings of ~~such~~ the corporation or organization inures (other than through the performance of related services for the members of such corporation or organization) to the benefit of any member of such corporation or organization or other person.

(b) Unrelated Business Income. -- Except as provided in this subsection, an organization described in subdivision (a)(1), ~~Organizations described in subdivision (1),~~ (3), (4), (5), (6), (7), ~~(8)~~ (8), or (9) ~~of subsection (a)~~ of this section and any organization exempt from federal income tax under the Code is subject to the tax provided in G.S. 105-130.3 on its unrelated business taxable income, as defined in section 512 of the Code, adjusted as provided in G.S. 105-130.5. The tax does not apply, however, to net income derived from any of the following:

(1) Research performed by a college, university, or hospital.

(2) Research performed for the United States or its instrumentality or for a state or its political subdivision.

(3) Research performed by an organization operated primarily to carry on fundamental research, the results of which are freely available to the general public.

~~shall be subject to the tax provided for in G.S. 105-130.3 to the following extent:~~

~~Gross income derived by any organization from any trade or business the conduct of which is not substantially related (aside from the need of the organization for income) to the exercise or performance of those functions constituting the basis for its exemption in subsection (a) of this section, less all deductions allowed by this Division directly connected with carrying on such trade or business and less one thousand dollars ($1,000); provided, this paragraph does not apply to interest, royalties, dividends or rents unless this income is determined to be "unrelated business taxable income" under the Code; provided further, this paragraph shall not apply to any trade or business (i) in which substantially all the work in carrying on such trade or business is performed for the organization without~~

~~compensation; or (ii) which is the selling of merchandise, substantially all of which is given to it; (iii) which is carried on by an organization described in G.S. 105-130.11(a)(3) primarily for the convenience of its members, students, patients or employees. Provided further, this paragraph shall not apply to net income derived from research (i) performed by a college, university or hospital; or (ii) performed for the United States, its instrumentalities or any state or political subdivision thereof; or (iii) performed by an organization operated primarily for the purpose of carrying on fundamental research, the results of which are freely available to the general public.~~

(c) Homeowner Association Income. -- An organization ~~Organizations~~ described in subdivision ~~(11) of subsection (a)~~ (a)(11) of this section ~~shall be~~ is subject to the tax provided ~~for~~ in G.S. 105-130.3 on its ~~unrelated business income. For purposes of this subsection the term "unrelated business income" means gross income (excluding any membership income)~~ gross income other than membership income less the deductions allowed by this Article ~~which~~ that are directly connected with the production of ~~such unrelated business income.~~ the gross income other than membership income. The term 'membership income' means the gross income from assessments, fees, charges, or similar amounts received from members of the organization for expenditure in the preservation, maintenance, and management of the common areas and facilities of or the residential units in the condominium or housing development."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1326 **CHAPTER 922**

AN ACT TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE USED TO DETERMINE CERTAIN TAXABLE INCOME AND TAX EXEMPTIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-2.1 reads as rewritten:

"§ *105-2.1. Internal Revenue Code definition.*

As used in this Article, the term 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 2. G.S. 105-33.1(1) reads as rewritten:

"(1) Code. -- The Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, including any provisions enacted as of that date which become effective either before or after that date."

Sec. 3. G.S. 105-114(b)(1) reads as rewritten:

"(1) The term 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 4. G.S. 105-130.2(1) reads as rewritten:

"(1) Code. -- The Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, including any provisions enacted as of that date which become effective either before or after that date."

Sec. 5. G.S. 105-131(b)(1) reads as rewritten:

"(1) 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 6. G.S. 105-134.1(1) reads as rewritten:

"(1) Code. -- The Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, including any provisions enacted as of that date which become effective either before or after that date."

Sec. 7. G.S. 105-163.1(1) reads as rewritten:

"(1) Code. -- The Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, including any provisions enacted as of that date which become effective either before or after that date."

Sec. 8. G.S. 105-163.38 reads as rewritten:

"§ *105-163.38. Definitions.*

The following definitions apply in this Article, unless the context requires otherwise:

(1) Code. -- The Internal Revenue Code as enacted as of ~~January 1, 1990,~~ January 1, 1992, including any provisions enacted as of that date which become effective either before or after that date.

(1a) Corporation. -- Defined in section 7701 of the Code.

(2) Estimated tax. -- The amount of income tax the corporation estimates as the amount imposed by Article 4 for the taxable year.

(3) Fiscal year. -- An accounting period of 12 months ending on the last day of any month other than December.

(4) Secretary. -- The Secretary of Revenue.

(5) Taxable year. -- The calendar year or fiscal year used as a basis to determine net income under Article 4. If no fiscal year has been established, 'fiscal year' means the calendar year. In the case of a return made for a fractional part of the year under Article 4, or under rules prescribed by the Secretary, 'taxable year' means the period for which the return is made."

Sec. 9. G.S. 105-212(f) reads as rewritten:

"(f) As used in this section, the term 'Code' means the Internal Revenue Code as enacted as of ~~January 1, 1991,~~ January 1, 1992, and includes any provisions enacted as of that date which become effective either before or after that date."

Sec. 10. G.S. 105-249.2 reads as rewritten:

"*§ 105-249.2. Due date and penalties for State taxes owed by certain members of the armed forces or individuals serving in support of the armed forces.*

The Secretary may not assess interest or a penalty against a taxpayer for any period that is disregarded under section 7508 of the ~~Code, as amended by Pub. L. No. 102-2,~~ Code in determining the taxpayer's liability for a federal tax. A taxpayer is granted an extension of time to file a return or take another action concerning a State tax for any period during which the Secretary may not assess interest or a penalty under this section."

Sec. 11. This act is effective for taxable years beginning on or after January 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1375 **CHAPTER 923**

AN ACT TO AMEND CHAPTER 593 OF THE 1991 SESSION LAWS TO PROVIDE FOR THE STATE BUREAU OF INVESTIGATION'S IMMEDIATE NOTIFICATION OF ALLEGED SEXUAL ABUSE IN DAY CARE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-542 reads as rewritten:

"*§ 7A-542. Protective services.*

The Director of the Department of Social Services in each county of the State shall establish protective services for juveniles alleged to be abused, neglected, or dependent.

Protective services shall include the investigation and screening of complaints, casework or other counseling services to parents or other caretakers as provided by the director to help the parents or other

caretakers and the court to prevent abuse or neglect, to improve the quality of child care, to be more adequate parents or caretakers, and to preserve and stabilize family life.

The provisions of this Article shall also apply to ~~day-care~~ child day care facilities and ~~day-care plans~~ child day care homes as defined in G.S. 110-86."

Sec. 2. G.S. 7A-543 reads as rewritten:

"*§ 7A-543. Duty to report child abuse or neglect.*

Any person or institution who has cause to suspect that any juvenile is abused or neglected shall report the case of that juvenile to the Director of the Department of Social Services in the county where the juvenile resides or is found. The report may be made orally, by telephone, or in writing. The report shall include information as is known to the person making it including the name and address of the juvenile; the name and address of the juvenile's parent, guardian, or caretaker; the age of the juvenile; the present whereabouts of the juvenile if not at the home address; the nature and extent of any injury or condition resulting from abuse or neglect and any other information which the person making the report believes might be helpful in establishing the need for protective services or court intervention. If the report is made orally or by telephone, the person making the report shall give his name, address, and telephone number. Refusal of the person making the report to give his name shall not preclude the Department's investigation of the alleged abuse or neglect.

In the case of any report of abuse, the Director of Social Services, upon receipt of the report, may immediately provide the appropriate local law-enforcement agency with information on the nature of the report. The law-enforcement agency may investigate the report, and upon request of the Director of the Department of Social Services, the law-enforcement agency shall provide assistance with the investigation.

Upon receipt of any report of child sexual abuse in a day care facility or day care home, the Director shall notify the State Bureau of Investigation within 24 hours or on the next work day. If child sexual abuse in a day care facility or day care home is not alleged in the initial report, but during the course of the investigation there is reason to suspect that child sexual abuse has occurred, the Director shall immediately notify the State Bureau of Investigation. Upon notification that child sexual abuse may have occurred in a day care facility or day care home, the State Bureau of Investigation may form a task force to investigate the report."

Sec. 3. G.S. 7A-544 reads as rewritten:

"*§ 7A-544. Investigation by Director; ~~notification of State Bureau of Investigation if sexual abuse in day care;~~ notification of person making the report.*

When a report of abuse or neglect is received, the Director of the Department of Social Services shall make a prompt and thorough investigation in order to ascertain the facts of the case, the extent of the abuse or neglect, and the risk of harm to the juvenile, in order to determine whether protective services should be provided or the complaint filed as a petition. When the report alleges abuse, the Director shall immediately, but no later than 24 hours after receipt of the report, initiate the investigation. When the report alleges neglect, the Director shall initiate the investigation within 72 hours following receipt of the report. The investigation and evaluation shall include a visit to the place where the juvenile resides. All information received by the Department of Social Services shall be held in strictest confidence by the Department.

If the investigation reveals abuse or neglect, the Director shall decide whether immediate removal of the juvenile or any other juveniles in the home is necessary for their protection. If immediate removal does not seem necessary, the Director shall immediately provide or arrange for protective services. If the parent or other caretaker refuses to accept the protective services provided or arranged by the Director, the Director shall sign a complaint seeking to invoke the jurisdiction of the court for the protection of the juvenile or juveniles.

If immediate removal seems necessary for the protection of the juvenile or other juveniles in the home, the Director shall sign a complaint which alleges the applicable facts to invoke the jurisdiction of the court. Where the investigation shows that it is warranted, a protective services worker may assume temporary custody of the juvenile for the juvenile's protection pursuant to Article 46 of this Chapter.

In performing any of these duties, the Director may utilize the staff of the county Department of Social Services or any other public or private community agencies that may be available. The Director may also consult with the available State or local law-enforcement officers who shall assist in the investigation and evaluation of the seriousness of any report of abuse or neglect when requested by the Director. ~~If the Director's initial investigation of a report of abuse in a day care facility reveals sexual abuse may have occurred, the Director shall notify the State Bureau of Investigation of the results of the initial investigation within 24 hours or on the next working day. The State Bureau of Investigation may send a task force to investigate the alleged sexual abuse and gather evidence that may be presented at a criminal trial.~~

Unless a petition is filed within five working days after receipt of the report of abuse or neglect, the Director shall give written notice to the person making the report that:

(1) There is no finding of abuse or neglect; or

(2) The county Department of Social Services is taking action to protect the welfare of the juvenile and what specific action it is taking.

The notification shall include notice that, if the person making the report is not satisfied with the Director's decision, he may request review of the decision by the prosecutor within five working days of receipt. The person making the report may waive his right to this notification and no notification is required if the person making the report does not identify himself to the Director."

Sec. 4. G.S. 7A-548 reads as rewritten:

"§ *7A-548. Duty of Director to report evidence of abuse, neglect; notification of Department of Human Resources and State Bureau of Investigation.*

(a) If the Director finds evidence that a juvenile has been abused as defined by G.S. 7A-517(1), he shall immediately make a written report of the findings of his investigation to the district attorney, who shall determine if criminal prosecution is appropriate, and who may request the Director or his designee to appear before a magistrate.

If the Director receives information that a juvenile has been physically harmed in violation of any criminal statute by any person other than the juvenile's parent or other person responsible for his care, he shall make an oral or written report of that information to the district attorney or the district attorney's designee within 24 hours after receipt of the information. The district attorney shall determine whether criminal prosecution is appropriate.

If the report received pursuant to G.S. 7A-543 involves abuse or neglect of a juvenile in day care, either in a day care facility or a day care home, the Director shall notify the Department of Human Resources within 24 hours or on the next working day of receipt of the report.

(a1) If the Director finds evidence that a juvenile has been abused or neglected as defined by G.S. 7A-517 in a day care facility or day care home, he shall immediately so notify the Department of Human Resources and, in the case of child sexual abuse, the State Bureau of Investigation, in such a way as does not violate the law guaranteeing the confidentiality of the records of the Department of Social Services.

(a2) Upon completion of the investigation, the Director shall ~~notify~~ give the Department written notification of the results of the investigation required by G.S. 7A-544. ~~If the Director's initial investigation, carried out pursuant to G.S. 7A-544, of a report of~~

~~abuse in a day care facility reveals that sexual abuse may have occurred, the Director shall notify the State Bureau of Investigation of the results of the initial investigation. The State Bureau of Investigation may send a task force to investigate the alleged sexual abuse and gather evidence that may be presented at a criminal trial.~~ Upon completion of an investigation of child sexual abuse in a day care facility or day care home, the Director shall also make written notification of the results of the investigation to the State Bureau of Investigation.

The Director of the Department of Social Services shall submit a report of alleged abuse or neglect to the central registry under the policies adopted by the Social Services Commission.

~~(b) If the Director finds evidence that a juvenile has been abused or neglected as defined by G.S. 7A-517 in a day care facility or home, he shall immediately so notify the Department of Human Resources and the State Bureau of Investigation in such a way as does not violate the law guaranteeing the confidentiality of the records of the Department of Social Services.~~"

Sec. 5. G.S. 114-15.3 reads as rewritten:

"*§ 114-15.3. Investigations of child sexual abuse in day care.*

The Director of the Bureau may form a task force to investigate and ~~prepare~~ gather evidence following a notification by the director of a county department of social services, pursuant to ~~G.S. 7A-544,~~ G.S. 7A-543, that ~~the director's initial investigation of a report of abuse in a day care facility reveals that~~ child sexual abuse may have ~~occurred,~~ occurred in a day care facility or day care home."

Sec. 6. This act becomes effective August 1, 1992, and applies to investigations of allegations received by directors of local departments of social services on and after that date.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1391 **CHAPTER 924**

AN ACT TO CREATE A SPECIAL EMPHASIS PROGRAM TO TARGET OSHA INSPECTIONS.

The General Assembly of North Carolina enacts:

Section 1. Article 16 of Chapter 95 of the General Statutes is amended by adding a new section to read:

"*§ 95-136.1. Special emphasis inspection program.*

(a) As used in this section, a 'special emphasis inspection' is an inspection by the Department's occupational safety and health division that is scheduled because of an employer's high frequency of

violations of safety and health laws or because of an employer's high risk or high rate of work-related fatalities or work-related serious injuries or illnesses.

(b) The Department shall develop and implement a special emphasis inspection program that targets for special emphasis inspection employers who:

(1) Have a high rate of serious or willful violations of any standard, rule, order, or other requirement under this Article, or of regulations prescribed pursuant to the Federal Occupational Safety and Health Act of 1970, in a one-year period;

(2) Have a high rate of work-related deaths, or a high rate of work-related serious injuries or illnesses, in a one-year period;

(3) Are engaged in a type of industry determined by the Department to be at high risk for serious or fatal work-related injuries or illnesses; or

(4) Have an experience modification rating established for workers' compensation premium rates that is significantly higher than the State average. For purposes of targeting employers under this subdivision, the Department, in consultation with the North Carolina Rate Bureau and the Commissioner of Insurance, shall set the experience modification rating threshold for determining a rating that is significantly higher than the State average.

To identify an employer for a special emphasis inspection, the Department shall use the most current data available from its own database and from other sources, including State departments, divisions, boards, commissions, and other State entities. The Department shall ensure that every employer targeted for a special emphasis inspection is inspected at least one time within the two-year period following targeting of the employer by the Department. The Department shall update its special emphasis inspection records at least annually.

(c) The Director shall make information about the special emphasis inspection program available prior to the date of implementation of the program.

(d) The Department shall by March 1, 1995, and annually thereafter, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the General Assembly on the impact of the special emphasis inspection program on safety and health compliance and enforcement."

Sec. 2. This act is effective upon ratification. The Department shall begin the development of the special emphasis inspection

program immediately upon ratification of this act. The special emphasis inspection program shall become operational not later than July 1, 1993.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 584 **CHAPTER 925**

AN ACT TO AUTHORIZE THE CITY OF DURHAM TO PROVIDE OFF-STREET PARKING AT REDUCED RATES OR WITHOUT CHARGE TO PERSONS RESIDING IN THE DOWNTOWN AREA OF THE CITY.

The General Assembly of North Carolina enacts:

Section 1. (a) G.S. 160A-314 is amended by adding a new subsection to read:

"(a1) A schedule of rents, rates, fees, and charges established by a city for use of off-street parking facilities and systems may provide for such use at no charge or at reduced rates by customers residing in housing units located in the downtown area of the city. The city council shall define the 'downtown area of the city' for purposes of this subsection. Eligibility under this subsection may be based on the number of housing units, the number of customers residing in the housing units, or such other method or system of classification as may be determined by the city council.

It is the intent of this subsection to provide a means to encourage the rejuvenation and revitalization of the downtown area of the city and thereby promote sound urban development and the general welfare of the city, which are hereby declared to be lawful public purposes of the city."

(b) This section applies only to the City of Durham.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 811 **CHAPTER 926**

AN ACT CONCERNING PROPERTY OWNED BY A NONPROFIT EDUCATIONAL INSTITUTION AND USED FOR SPORTS OR RECREATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-278.4(f) reads as rewritten:

"(f) An educational purpose within the meaning of this section is one that has as its objective the education or instruction of human beings; it comprehends the transmission of information and the training or development of the knowledge or skills of individual persons. The operation of a golf course, a tennis court, a sports arena, a similar sport property, or a similar recreational sport property for the use of students or faculty is also an educational purpose, regardless of the extent to which the property is also available to and patronized by the general public."

Sec. 2. This act is effective upon ratification and applies to taxes imposed for taxable years beginning on or after July 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 910 **CHAPTER 927**

AN ACT TO MAKE STATUTORY CHANGES TO THE PRECINCT BOUNDARY PROGRAM TO PREPARE FOR THE UNITED STATES CENSUS FOR THE YEAR 2000 AND TO FACILITATE THE REPORTING OF ELECTION DATA TO THE SECRETARY OF STATE'S OFFICE.

The General Assembly of North Carolina enacts:

Section 1. Article 12A of Chapter 163 of the General Statutes reads as rewritten:

"ARTICLE 12A.

"Precinct Boundaries.

"§ *163-132.1:* Repealed by Session Laws 1987 (Reg. Sess., 1988), c. 1074, s. 2.

"§ *163-132.1A. Precinct boundaries for certain counties.*

(a) The boundaries of precincts for the counties listed in subsection (b) of this section are those recorded in the Legislative Services Office's automated redistricting system as of May 1, 1991, except as changed in accordance with G.S. 163-132.3, and except in Caldwell County, the boundaries of Lenoir #3, North Catawba, Gamewell #1, and Gamewell #2 Precincts shall be as provided on the precinct map of the county adopted by the Caldwell County Board of Elections and in effect on January 1, 1992, unless changed in accordance with G.S. 163-132.3.

(b) This section shall apply only to the following counties: Alamance, Buncombe, Burke, Cabarrus, Caldwell, Catawba, Chatham, Chowan, Cleveland, Craven, Cumberland, Davidson, Duplin, Durham, Edgecombe, Forsyth, Gaston, Granville, Guilford, Halifax, Harnett, Henderson, Iredell, Johnston, Jones, Lenoir,

Mecklenburg, Nash, New Hanover, Onslow, Orange, Pender, Pitt, Randolph, Richmond, Robeson, Rockingham, Rowan, Sampson, Scotland, Surry, Union, Wake, Washington, Wayne, Wilkes, Wilson, and Yancey.

"§ 163-132.2. ~~*Establishment of precinct boundaries for 1990 Census.*~~ *Precinct boundaries for other counties.*

(a) The Legislative Services Office ~~as soon as it receives the U.S. Census Bureau's official census block maps to be used in the 1990 U.S. Census shall send the relevant copies of those maps to county boards of elections.~~ shall send as directed by the schedule contained in subsection (g) of this section the relevant copies of the U.S. Census Bureau's official census block maps of the 1990 U.S. Census to each county board of elections. ~~After~~ Not later than 90 days after receiving copies of those maps, the county ~~boards of election~~ board of elections shall:

(1) Alter, where necessary, precinct boundaries to be coterminous with ~~township boundaries, municipal boundaries, census block boundaries, or a combination of those boundaries provided~~ those of:

a. Townships, as certified by the county manager, or the chairman of the board of county commissioners if there is not a county manager, on the official map of the county;

b. The census blocks established under the latest U.S. Census;

c. Named roads and streets and drainage features of 40 feet or more in width, as certified by the North Carolina Department of Transportation on its highway maps or the planning department of the relevant county;

d. Municipalities, as certified by the city clerk on the official map of the city; or

e. A combination of these boundaries;

Provided that if, as a result of the alteration, the polling place is no longer in the precinct, it may continue to be the polling place as long as the lot or tract on which the polling place is situated adjoins the precinct;

(1a) Alter, where necessary, precinct boundaries so that each precinct is composed solely of contiguous ~~territory, except where the operation of G.S. 163-132.5A has caused a precinct to be divided into two or more non-contiguous areas.~~ territory;

(2) Mark all precinct boundaries on the maps sent by the Legislative Services Office, showing the precinct boundaries in effect as of the time of marking, but with any

changes effective at a later time as provided by subsection (d) of this section; and

(3) File at a time deemed necessary by the Executive Secretary-Director of the State Board of Elections with the State Board and the Legislative Services Office the maps identifying the precinct boundaries. The Executive Secretary-Director may require a county board of elections to file a written description of the boundaries of any precinct or part thereof.

~~Provided, where a precinct boundary has been or is to be altered because of the operation of G.S. 163-132.5A, the boundary on the map shall be shown as in effect on the date reported through the U.S. Census Bureau's 1988 Boundary and Annexation Survey of the underlying municipal boundary on the map, but the fact that the boundary has been or is to be moved because of an intervening annexation shall be reported to the Executive Secretary-Director of the State Board of Elections and Legislative Services Office.~~

(b) The Executive Secretary-Director of the State Board of Elections and the Legislative Services Office shall examine the returned maps and their written descriptions. After its examination of the maps and their written descriptions, the Legislative Services Office shall submit to the Executive Secretary-Director of the State Board of Elections its opinion as to whether ~~all precinct boundaries are coterminous with current township boundaries, current municipal boundaries, census block boundaries, or a combination of those boundaries,~~ the county board of elections has complied with the provisions of subsection (a) of this section, with notations as to where those boundaries do not comply with these standards. If the Executive Secretary-Director of the State Board determines that ~~all precinct boundaries are coterminous with current township boundaries, current municipal boundaries, census block boundaries, or a combination of those boundaries,~~ the county board of elections has complied with the provisions of subsection (a) of this section, the Executive Secretary-Director of the State Board shall approve the maps and written descriptions as filed and these precincts shall be the official precincts. ~~Additionally, the Legislative Services Office shall submit to the Executive Secretary-Director of the State Board of Elections its opinion as to whether each precinct is composed solely of contiguous territory.~~

(c) If the Executive Secretary-Director of the State Board ~~does not find that the filed precinct boundaries are coterminous with the current township boundaries, current municipal boundaries, census block boundaries, or a combination of those boundaries,~~ determines that the county board of elections has not complied with the provisions of subsection (a) of this section, he shall not approve those precinct

boundaries but shall alter the precinct boundaries so that each precinct consists solely of contiguous territory and that each precinct's boundaries are coterminous with those boundaries set forth in subsection (a)(1) of this section nearest to those existing precinct boundaries. ~~to be coterminous with the census block boundaries, municipal boundaries or township boundaries nearest to those existing precinct boundaries and these~~ These altered precincts shall then be the official precincts. ~~If the Executive Secretary-Director of the State Board finds that a precinct does not consist solely of contiguous territory, he shall alter the precinct boundary so that it consists solely of contiguous territory, except where the non-contiguity is caused by the operation of G.S. 163-132.5A.~~

(d) The changes in precinct boundaries under subsections (b) and (c) of this section shall be made effective not later than January 1, ~~1992,~~ 1997; unless the change would result in placing a precinct in more than one State House of Representatives, State Senate, or Congressional district, in which case it shall be made effective not later than January 1, 2002.

~~(e) After the Executive Secretary-Director of the State Board approves or alters the precincts filed by the county boards and before January 2, 1990, no county board of elections may establish, alter, discontinue, or create any precinct except for the following:~~

~~(1) Changes resulting from G.S. 163-132.5A;~~

~~(2) Division of one precinct into two or more precincts; or~~

~~(3) With the consent of the Executive Secretary-Director of the State Board of Elections, changes of boundaries that the U.S. Census Bureau has identified for the Legislative Services Office as not being coterminous with census block boundaries, township boundaries, municipal boundaries, or a combination of these boundaries, provided that the boundaries are made so coterminous. The Executive Secretary-Director shall consult with the Legislative Services Office prior to consenting to precinct changes under this subdivision.~~

~~(f) The State shall request that the U.S. Census Bureau provide summaries of census data by precinct, and shall participate in the 1990 Census Redistricting Data Program. When the State files with the Census Bureau precinct maps, those boundaries shall be those effective at the date of submission, but with any change with a postponed effective date made under subsection (d) of this section or made under G.S. 163-132.5A. In any case where the precinct includes non-contiguous portions because of the operation of G.S. 163-132.5A, the Executive Secretary-Director of the State Board of~~

~~Elections shall designate those areas for census data purposes as separate precincts.~~

(g) The Legislative Services Office shall send maps, under subsection (a) of this section, to the counties named below by the dates indicated:

(1) Maps to be sent not later than January 1, 1993, to the following counties: Alexander, Alleghany, Anson, Ashe, Avery, Beaufort, Bertie, Bladen, Brunswick, Camden, Carteret, Caswell, Currituck, Cherokee, Clay, Franklin, Gates, and Hoke;

(2) Maps to be sent not later than January 1, 1994, to the following counties: Columbus, Dare, Davie, Graham, Haywood, Hertford, Hyde, Jackson, Lee, Lincoln, Madison, Martin, Mitchell, Montgomery, Northampton, and Pasquotank; and

(3) Maps to be sent not later than January 1, 1995, to the following counties: Macon, McDowell, Moore, Pamlico, Perquimans, Person, Polk, Rutherford, Stanly, Stokes, Swain, Transylvania, Tyrrell, Vance, Warren, and Yadkin.

(h) This section shall apply only to the following counties: Alexander, Alleghany, Anson, Ashe, Avery, Beaufort, Bertie, Bladen, Brunswick, Camden, Carteret, Caswell, Cherokee, Clay, Columbus, Currituck, Dare, Davie, Franklin, Gates, Graham, Greene, Haywood, Hertford, Hoke, Hyde, Jackson, Lee, Lincoln, Macon, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Northampton, Pamlico, Pasquotank, Perquimans, Person, Polk, Rutherford, Stanly, Stokes, Swain, Transylvania, Tyrrell, Vance, Warren, Watauga, and Yadkin.

"§ *163-132.3. Alterations to ~~precinct boundaries after January 1, 1990~~ approved precinct boundaries.*

(a) No county board of elections of a county listed in G.S. 163-132.1A (b), after January 1, 1990, and no county board of elections of a county listed in G.S. 163-132.2(h), after its precinct boundaries are approved pursuant to G.S. 163-132.2, may change any precinct boundary unless the proposed new precinct consists solely of contiguous territory and its new boundaries are coterminous with those of:

(1) ~~Townships, municipalities,~~ Townships, as certified by the county manager, or the chairman of the board of county commissioners if there is not a county manager, on the official map of the county; ~~the~~

(2) The census blocks established under the latest U.S. ~~Census, or~~ Census;

(3) Named roads and streets and drainage features of 40 feet or more in width, as certified by the North Carolina Department of Transportation on its highway maps or the planning department of the relevant county;

(4) Municipalities, as certified by the city clerk on the official map of the city; or

(5) ~~a~~ A combination of these boundaries.

The county boards of elections shall report precinct boundary changes by filing with the ~~Executive Secretary-Director of the State Board~~ Legislative Services Office on current official census maps or maps certified by the North Carolina Department of Transportation or the county's planning department the new boundaries of these precincts. The Executive Secretary-Director may require a county board of elections to file a written description of the boundaries of any precinct or part thereof. No newly created or altered precinct boundary ~~occurring after January 1, 1990,~~ is effective until approved by the Executive Secretary-Director of the State Board as being ~~coterminous with the boundaries of townships, municipalities, census blocks established by the then latest U.S. Census, or a combination of those boundaries.~~ in compliance with this subsection.

(b) The Executive Secretary-Director of the State Board of Elections and the Legislative Services Office shall examine the maps of the proposed new or altered precincts and any required written descriptions. After its examination of the maps and their written descriptions, the Legislative Services Office shall submit to the Executive Secretary-Director of the State Board of Elections its opinion as to whether all of the proposed precinct boundaries are in compliance with subsection (a) of this section, with notations as to where those boundaries do not comply with these standards. If the Executive Secretary-Director of the State Board determines that all precinct boundaries are in compliance with this section, the Executive Secretary-Director of the State Board shall approve the maps and written descriptions as filed and these precincts shall be the official precincts.

(c) If the Executive Secretary-Director of the State Board determines that the proposed precinct boundaries are not in compliance with subsection (a) of this section, he shall not approve those precinct boundaries. He shall notify the county board of elections of his disapproval specifying the reasons. The county board of elections may then resubmit new precinct maps and written descriptions to cure the reasons for their disapproval.

"§ *163-132.4. Directives.*

The Executive Secretary-Director of the State Board of Elections may promulgate directives concerning its duties and those of the county boards of elections under this Article.

"*§ 163-132.5. Cooperation of State and local agencies.*

The State Budget Office, the Department of Transportation and county and municipal planning departments shall cooperate and assist the Legislative Services Office, the Executive Secretary-Director of the State Board of Elections and the county boards of elections in the implementation of this Article.

~~"§ 163-132.5A. Precinct boundaries.~~

~~(a) Whenever an annexation ordinance adopted under Parts 1, 2, or 3 of Article 4A of Chapter 160A of the General Statutes, or a local act of the General Assembly annexing property to a municipality, becomes effective during the period beginning with the date of the annexation as reported through the U.S. Census Bureau's 1988 Boundary and Annexation Survey and ending October 31, 1989, and any part of the boundary of the area being annexed which is actually contiguous to the city is also a precinct boundary for elections administered by the county board of elections then the annexed area is automatically moved into the 'city precinct', provided that if the annexed area is adjacent to more than one city precinct, the board of elections shall place the area in any one or more of the adjacent city precincts. The county board of elections may delay the effective date of any change under this subsection to a date not later than January 1, 1992.~~

(b) Repealed by Session Laws 1989, c. 770, s. 75.3. (1987, c. 715, s. 4; 1987 (Reg. Sess., 1988), c. 1074, s. 2; 1989, c. 440, s. 3, c. 770, s. 75.3.)

"*§ 163-132.5B. Exemption from Administrative Procedure Act.*

The State Board of Elections is exempt from the provisions of Chapter 150B of the General Statutes while acting under the authority of this Article. Appeals from a final decision of the Executive Secretary-Director of the State Board of Elections under this Article shall be taken to the State Board of Elections within 30 days of that decision. The State Board shall approve, disapprove or modify the Executive Secretary's decision within 30 days of receipt of notice of appeal. Failure of the State Board to act within 30 days of receipt of notice of appeal shall constitute a final decision approving that of the Executive Secretary. Appeals from a final decision of the State Board under this Article shall be taken to the Superior Court of Wake County.

"*§ 163-132.5C. Local acts and township lines.*

(a) Notwithstanding the provisions of any local act, a county board of elections need not have the approval of any other county board or

commission to make precinct boundary changes required by this Article.

(b) Notwithstanding G.S. 163-128, precinct boundaries established, retained or changed under this Article, or changed to follow a district line where a precinct has been divided in a districting plan, may cross township lines.

"*§ 163-132.5D. Retention of precinct maps.*

The Executive Secretary-Director of the State Board of Elections shall retain the maps and written descriptions which he approves pursuant to G.S. 163-132.3.

"*§ 163-132.5E. Precinct maps and voter statistics filed with the Legislative Services Office.*

(a) No later than January 31 of each year, the chairman of each county board of elections shall file with the Legislative Services Office a map showing the county's precincts as of January 1 of that year.

(b) Not later than January 31 of each year, the chair of each county board of elections shall file with the Legislative Services Office a list of each precinct in the county as of January 1 of that year and the number of registered voters, in each precinct, by political party and race; and, no later than January 31 of each year beginning in 1996, with a numerical breakdown as to the race of registered voters of each political party.

(c) The Legislative Services Office shall develop and send by mail to each county board of elections by September 15 of each year a standard electronic data format that can be used in the following year by county boards of election as an alternative method of filing the list required by subsection (b) of this section. The standard electronic data format shall be for data provided in international standard ASCII file format on 9-track magnetic tape, 8-millimeter magnetic tape, 5 1/4 inch diskettes, or 3 1/2 inch diskettes. The standard electronic data format shall contain the name of the precinct, and for each precinct the total number of registered voters, the number of registered voters by party affiliation, the number of registered voters by race, and a numerical breakdown as to the race of registered voters in each political party.

"*§ 163-132.5F. U.S. Census data by precinct.*

The State shall request the U.S. Census Bureau for each decennial census to provide summaries of census data by precinct and shall participate in any U.S. Bureau of the Census' program to effectuate this provision.

~~"§ 163-132.6. Applicability of Article.~~

~~This Article applies only to counties with a population of 55,000 or over, according to the 1980 decennial federal census and to any other county whose board of elections adopts not later than October 1,~~

~~1988, a resolution indicating a desire to participate in the program established by this Article, which resolution shall only become effective if received by the Executive Secretary-Director and approved by him on or before October 15, 1988. The Executive Secretary-Director shall approve the resolution if, after consultation with the Legislative Services Office, he determines that available resources exist to map the precincts of the county applying while doing the work for the mandated counties. A county approved to participate in the program may discontinue its participation if it so indicates by a resolution received by the Executive Secretary-Director on or before February 1, 1989. Counties voluntarily participating in this Article are bound by all the provisions of this Article.~~

"*§§ 163-133, 163-134:* Reserved for future codification purposes."

Sec. 2. G.S. 163-192 reads as rewritten:

"*§ 163-192. State Board of Elections to prepare abstracts and declare results of primaries and elections.*

(a) After Primary. -- At the conclusion of its canvass of the primary election, the State Board of Elections shall prepare separate abstracts of the votes cast:

(1) For Governor and all State officers, justices of the Supreme Court, judges of the Court of Appeals, judges of the superior court, and United States Senators.

(2) For members of the United States House of Representatives for the several congressional districts in the State.

(3) For district court judges for the several district court districts in the State.

(4) For district attorney in the several prosecutorial districts in the State.

(5) For State Senators in the several senatorial districts in the State composed of more than one county.

(6) For members of the State House of Representatives in the several representative districts in the State composed of more than one county.

Abstracts prepared by the State Board of Elections under this subsection shall state the total number of votes cast for each candidate of each political party for each of the various offices canvassed by the State Board of Elections. They shall also state the name or names of the person or persons whom the State Board of Elections shall ascertain and judicially determine by the count to be nominated for each office.

Abstracts prepared under this subsection shall be signed by the members of the State Board of Elections in their official capacity and shall have the great seal of the State affixed thereto.

(b) After General Election. -- At the conclusion of its canvass of the general election, the State Board of Elections shall prepare abstracts of the votes cast:

(1) For President and Vice-President of the United States, when an election is held for those offices.
(2) For Governor and all State officers, justices of the Supreme Court, judges of the Court of Appeals, judges of the superior court, and United States Senators.
(3) For members of the United States House of Representatives for the several congressional districts in the State.
(4) For district court judges for the several district court district as defined in G.S. 7A-133 in the State.
(5) For district attorney in the several prosecutorial districts in the State.
(6) For State Senators in the several senatorial districts in the State composed of more than one county.
(7) For members of the State House of Representatives in the several representative districts in the State composed of more than one county.
(8) For and against any constitutional amendments or propositions submitted to the people.

Abstracts prepared by the State Board of Elections under this subsection shall state the names of all persons voted for, the office for which each received votes, and the number of legal ballots cast for each candidate for each office canvassed by the State Board of Elections. They shall also state the name or names of the person or persons whom the State Board of Elections shall ascertain and judicially determine by the count to be elected to each office.

Abstracts prepared under this subsection shall be signed by the members of the State Board of Elections in their official capacity and shall have the great seal of the State affixed thereto.

(c) Disposition of Abstracts of Returns. -- The State Board of Elections shall file with the Secretary of State the original abstracts of returns prepared by it under the provisions of subsections (a) and (b) of this section, and also the duplicate county abstracts transmitted to the State Board of Elections under the provisions of G.S. 163-177. Upon the request of the Legislative Services Office, the Secretary of State shall submit a copy of the original abstracts to that Office."

Sec. 3. The Legislative Services Commission may use funds otherwise available to implement the provisions of Section 1 of this act for which the Legislative Services Office is responsible.

Sec. 4. G.S. 163-195 reads as rewritten:

"*§ 163-195. Secretary of State to record abstracts and general election results.*

(a) The Secretary of State shall record the State, district, and county abstracts filed with him by the State Board of Elections in a book to be kept by him for that purpose.

(b) Within seven days after the county board of elections meets to canvass the returns for the general election, the chairman of that board shall mail, or otherwise deliver, to the Secretary of State results of elections for:

President and Vice President of the United States

Governor, Lieutenant Governor, and all other State executive officers

United States Senators

Members of the House of Representatives of the United States Congress

Justices, Judges, and District Attorneys of the General Court of Justice

State Senators

Members of the State House of Representatives

Constitutional amendments and propositions submitted to the voters of the State.

The chairman shall deliver the results in a format prescribed by the Secretary of State. The chairman shall use the same format to amend the results to reflect any recounts or changes in the data that he learns of later after the initial results are sent in. In prescribing the format for any county, the Secretary of State shall, to the extent practicable, work within the limits of that county's existing reporting system.

The Secretary of State shall compile the results he receives in a document and deliver copies to the State Senate and the State House of Representatives within 90 days after the general election. The Secretary of State shall amend the document to correct any inaccuracies that later counts reveal in the data, and shall provide the House and Senate with the corrected data."

Sec. 5. Notwithstanding the provisions of G.S. 163-132.3, as amended by Section 1 of this act, the validity of the boundaries of a precinct of a county subject to G.S. 163-132.1A which consists of noncontiguous territory as of January 1, 1992, shall not be affected by the provisions of G.S. 163-132.3; provided, however, that any change to the boundaries of that precinct after that date shall be subject to G.S. 163-132.3, as amended by this act. Notwithstanding the preceding sentence, not later than January 1, 1997, the relevant county board of elections shall change any nonconforming precinct to eliminate noncontiguous territory in a precinct.

Sec. 6. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992

S.B. 1082 **CHAPTER 928**

AN ACT TO REQUIRE ALL DOMICILIARY CARE FACILITIES TO REPORT COSTS AND REVENUES AND TO USE A UNIFORM CHART OF ACCOUNTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131D-3(a) reads as rewritten:

"(a) The Department of Human Resources, Division of Social Services, by January 1, 1982, shall develop a cost and revenue reporting form for use by all domiciliary care facilities. This form shall be based on the uniform chart of accounts required in G.S. 131D-4. All facilities that receive funds under the State-County Special Assistance for Adults Program shall report total costs and revenues to the Department of Human Resources by March 1 of each year. ~~Facilities licensed under the provisions of G.S. 131D-2(a)(5), facilities that are operated by or under contract with Area Mental Health, Developmental Disabilities, and Substance Abuse Authority, and combination facilities providing either intermediate or skilled care in addition to domiciliary care shall not be required to comply with the reporting requirements in this section.~~ Facilities licensed under the provisions of G.S. 131D-2(a)(5) shall report total costs and revenues beginning with a report that covers the twelve month period beginning January 1, 1993. Facilities operated by or under contract with Area Mental Health, Developmental Disabilities, and Substance Abuse Authorities shall report total costs and revenues beginning with a report that covers the twelve month period beginning July 1, 1992. Combination facilities providing either intermediate or skilled care in addition to domiciliary care shall report total costs and revenues beginning with a report that covers the twelve month period beginning October 1, 1992. All facilities shall be required to permit access to any requested financial records by representatives of the Department of Human Resources for audit purposes effective July 1, 1981."

Sec. 2. G.S. 131D-4 reads as rewritten:

"*§ 131D-4. Domiciliary care facilities; uniform chart of accounts.*

The Department of Human Resources, Division of Social Services, by January 1, 1982, shall develop a uniform chart of accounts for use by all domiciliary care facilities funded totally or in part through the State-County Special Assistance for Adults Program. The Division shall consult with representatives from the domiciliary care industry in developing the new accounting system. The Division shall require ~~that~~ domiciliary care facilities covered by this section to implement this chart of accounts by January 1, ~~1983,~~ 1983, unless otherwise provided by this section. ~~Facilities licensed under the provisions of~~

~~G.S. 131D-2(a)(5), facilities that are operated by or under contract with Area Mental Health, Developmental Disabilities, and Substance Abuse Authority, and combination facilities providing either intermediate or skilled care in addition to domiciliary care, shall not be required to comply with this section.~~ Facilities licensed under the provisions of G.S. 131D-2(a)(5) shall implement this chart of accounts beginning with the twelve month period beginning January 1, 1993. Facilities operated by or under contract with Area Mental Health, Developmental Disabilities, and Substance Abuse Authorities shall implement this chart of accounts beginning with the twelve month period beginning July 1, 1992. Combination facilities providing either intermediate or skilled care in addition to domiciliary care shall implement this chart of accounts beginning with the twelve month period beginning October 1, 1992.

The Department may take either or both of the following actions to enforce compliance by a facility with this section or to punish noncompliance:

(1) Seek a court order to enforce compliance;

(2) Suspend or revoke the facility's license, subject to the provisions of Chapter 150B."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 31 **CHAPTER 929**

AN ACT TO PERMIT INJURED FIREMEN TO RECEIVE DISABILITY PAYMENTS UNDER THE NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM AFTER ONE YEAR'S SERVICE AND TO ALLOW FOR DISABILITY BENEFIT IF DEATH OCCURS PRIOR TO RETIREMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 128-27(c) reads as rewritten:

"(c) Disability Retirement Benefits. -- Upon the application of a member or of his employer, any member who has had five or more years of creditable service may be retired by the Board of Trustees, on the first day of any calendar month, not less than one day nor more than 90 days next following the date of filing such application, on a disability retirement allowance: Provided, that the medical board, after a medical examination of such member, shall certify that such member is mentally or physically incapacitated for the further performance of duty, that such incapacity was incurred at the time of

active employment and has been continuous thereafter, that such incapacity is likely to be permanent, and that such member should be retired; Provided further the medical board shall determine if the member is able to engage in gainful employment and, if so, the member may still be retired and the disability retirement allowance as a result thereof shall be reduced as in subsection (e) below. Provided further, that the Medical Board shall not certify any member as disabled who:

(1) Applies for disability retirement based upon a mental or physical incapacity which existed when the member first established membership in the system; or

(2) Is in receipt of any payments on account of the same disability which existed when the member first established membership in the system.

The Board of Trustees shall require each employee upon enrolling in the retirement system to provide information on the membership application concerning any mental or physical incapacities existing at the time the member enrolls.

Notwithstanding the requirement of five or more years of creditable service to the contrary, a member who is a law enforcement officer or a fireman as defined in G.S. 58-86-25 or rescue squad worker as defined in G.S. 58-86-30 and who has had one year or more of creditable service and becomes incapacitated for duty as the natural and proximate result of an accident occurring while in the actual performance of duty, and meets all other requirements for disability retirement benefits, may be retired by the Board of Trustees on a disability retirement allowance.

Notwithstanding the foregoing to the contrary, any beneficiary who commenced retirement with an early or service retirement benefit has the right, within three years of his retirement, to convert to an allowance with disability retirement benefits without modification of any election of optional allowance previously made; provided, the beneficiary would have met all applicable requirements for disability retirement benefits while still in service as a member. The allowance on account of disability retirement benefits to the beneficiary shall be retroactive to the effective date of early or service retirement.

Notwithstanding the foregoing, effective April 1, 1991 the surviving designated beneficiary of a deceased member who met all other requirements for disability retirement benefits, except whose death occurred before the first day of the calendar month in which the member's disability retirement allowance was to be due and payable, may elect to receive the reduced retirement allowance provided by a one hundred percent (100%) joint and survivor payment option in lieu

of a return of accumulated contributions, provided the following conditions apply:

(1) The member had designated as the principal beneficiary, to receive a return of accumulated contributions at the time of his death, one and only one person, and

(2) The member had not instructed the Board of Trustees in writing that he did not wish the provision of this subsection to apply.

Sec. 2. This act becomes effective April 1, 1991.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1324 **CHAPTER 930**

AN ACT TO CLARIFY THE STATUTES GOVERNING INCOME TAX RETURNS AND TAX FILING EXTENSIONS AND TO AUTHORIZE THE SECRETARY OF REVENUE TO ALLOW PAPERLESS TAX FILING EXTENSIONS AND ELECTRONIC FILING OF INCOME TAX RETURNS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-152 reads as rewritten:

"§ *105-152.* ~~*Returns.*~~ *Income tax returns.*

(a) Who Must File. -- The following ~~persons~~ individuals shall file with the Secretary an income tax return under ~~affirmation, showing specifically the taxable income and the adjustments required by this Division, and such other facts as the Secretary may require for the purpose of making any computation required by this Division;~~ affirmation:

(1) Every resident required to file an income tax return for the taxable year under the Code and every nonresident who (i) derived gross income from North Carolina sources during the taxable year attributable to the ownership of any interest in real or tangible personal property in this State or derived from a business, trade, profession, or occupation carried on in this State and (ii) is required to file an income tax return for the taxable year under the Code.

~~(2) Every partnership doing business in this State as provided in G.S. 105-154.~~

(3) Any ~~person~~ individual whom the Secretary believes to be liable for a tax under this Division, when so notified by the Secretary and requested to file a return.

(b) Taxpayer Deceased or Unable to Make Return. -- If the taxpayer is unable to ~~make his own~~ file the income tax return, the

return shall be ~~made~~ filed by a duly authorized agent or by a guardian or other person charged with the care of the person or property of the ~~taxpayer. (c)~~ taxpayer. ~~The return of an~~ If an individual who was required to file ~~a~~ an income tax return for the taxable year while living ~~and who~~ has died before making the return, ~~shall be made in his name and behalf by the administrator or executor of the estate~~ the administrator or executor of the estate shall file the return in the decedent's name and behalf, and the tax shall be levied upon and collected from the estate.

(c) Information Required With Return. -- The income tax return shall show the taxable income and adjustments required by this Division and any other information the Secretary requires. The Secretary may require some or all individuals required to file an income tax return to attach to the return a copy of their federal income tax return for the taxable year. The Secretary may require a taxpayer to provide the Department with copies of any other return the taxpayer has filed with the Internal Revenue Service and to verify any information in the return.

(d) Secretary May Require Additional Information. -- When the Secretary has reason to believe that any taxpayer ~~so~~ conducts a trade or business ~~as either directly or indirectly to distort~~ in a way that directly or indirectly distorts the taxpayer's taxable income or North Carolina taxable ~~income whether by the arbitrary shifting of income, through price fixing, charges for service, or otherwise, whereby the net income is arbitrarily assigned to one or another unit in a group of taxpayers carrying on business under a substantially common control,~~ income, the Secretary may require ~~such facts as he deems necessary~~ any additional information for the proper computation of the taxpayer's taxable income and ~~the~~ North Carolina taxable income. ~~income, and in determining the same the Secretary shall have regard to~~ In computing the taxpayer's taxable income and North Carolina taxable income, the Secretary shall consider the fair profit that would normally arise from the conduct of the trade or business.

(e) Joint Returns. -- A husband and wife shall file a single income tax return jointly if (i) their federal taxable income is determined on a joint federal return and (ii) both spouses are residents of this State or both spouses have North Carolina taxable income. ~~A joint return may be filed by a husband and wife as provided in G.S. 105-152.1.~~ Except as otherwise provided in this Division, a wife and husband filing jointly are treated as one taxpayer for the purpose of determining the tax imposed by this Division. A husband and wife filing jointly are jointly and severally liable for the tax imposed by this Division reduced by the sum of all credits allowable under this Division including tax payments made by or on behalf of the husband and wife.

However, if a spouse has been relieved of liability for federal tax attributable to a substantial understatement by the other spouse pursuant to section 6013 of the Code, that spouse is not liable for the corresponding tax imposed by this Division attributable to the same substantial understatement by the other spouse. A wife and husband filing jointly ~~shall be deemed to~~ have expressly agreed that if the amount of the payments made by them with respect to the taxes for which they are liable, including withheld and estimated taxes, exceeds the total of the taxes due, refund of the excess may be made payable to both spouses jointly or, if either is deceased, to the survivor alone.

~~(f) The Secretary may require some or all persons required to file a return under this section to attach to the return a copy of their federal income tax return for the taxable year. The Secretary may require a taxpayer to provide the Department with copies of any other return the taxpayer has filed with the Internal Revenue Service and to verify any information in the return.~~"

Sec. 2. G.S. 105-154 reads as rewritten:

"§ *105-154. Information at the ~~source.~~ source returns.*

(a) 'Person' Defined. -- Notwithstanding G.S. 105-134.1, as used in this section, the term 'person' means an individual, a fiduciary, a firm, a partnership, an association, a corporation, a unit of government, or another group acting as a unit.

(b) Information Returns of Payers. -- A person who is a resident of this State, has a place of business in this State, or has an employee, an agent, or another representative in any capacity in this State shall file an information return as required by the Secretary if the person directly or indirectly pays or controls the payment of any income to any taxpayer. The return shall contain all information required by the Secretary. The filing of any return in compliance with this section by a foreign corporation is not evidence that the corporation is doing business in this State.

(c) Information Returns of Partnerships. -- A partnership doing business in this State and required to file a return under the Code shall file an information return with the Secretary. A partnership that the Secretary believes to be doing business in this State and to be required to file a return under the Code shall file an information return when requested to do so by the Secretary. The information return shall contain all information required by the Secretary. It shall state specifically the items of the partnership's gross income, the deductions allowed under the Code, and the adjustments required by this Division. The information return shall also include the name and address of each person who would be entitled to share in the partnership's net income, if distributable, and the amount each person's distributive share would be. The information return shall

specify the part of each person's distributive share of the net income that represents corporation dividends. The information return shall be signed by one of the partners under affirmation in the form prescribed in G.S. 105-155.

(d) Payment of Tax on Behalf of Nonresident Owner or Partner. -- If a business conducted in this State is owned by a nonresident individual or by a partnership having one or more nonresident members, the manager of the business shall report the earnings of the business in this State, the distributive share of the income of each nonresident owner or partner, and any other information required by the Secretary. The manager of the business shall pay with the return the tax on each nonresident owner or partner's share of the income computed at the rate levied on individuals under G.S. 105-134.2(a)(3). The business may deduct the payment for each nonresident owner or partner from the owner or partner's distributive share of the profits of the business in this State. If the nonresident partner is not an individual and the partner has executed an affirmation that the partner will pay the tax with its corporate, partnership, trust, or estate income tax return, the manager of the business is not required to pay the tax on the partner's share. In this case, the manager shall include a copy of the affirmation with the report required by this subsection. ~~Every individual, partnership, corporation, joint-stock company or association, or insurance company, being a resident or having a place of business or having one or more employees, agents, or other representatives in this State, in whatever capacity acting, including lessors or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the State or of any political subdivision of the State and all officers and employees of the United States or of any political subdivision or agency thereof having the control, receipt, custody, disposal, or payment of interest (other than interest coupons payable to bearer), rent, salaries, wages, dividends, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and incomes paid or payable during any year to any taxpayer, shall make complete return thereof to the Secretary under such regulations and in such form and manner and to such extent as may be prescribed by the Secretary. The filing of any report in compliance with the provisions of this section by a foreign corporation shall not constitute an act in evidence of and shall not be deemed to be evidence that the corporation is doing business in this State.~~

~~(b) Every partnership doing business in the State required to file a return under the Code shall make a return stating specifically the items of its gross income and the deductions allowed under the Code~~

~~and the adjustments required by this Division, and shall include in the return the names and addresses of the individuals who would be entitled to share in the net income if distributable, and the amount of the distributive share of each individual, together with the distributive shares of corporation dividends. The return shall be signed by one of the partners under affirmation in the form prescribed in G.S. 105-155 of this Division, and the same penalties prescribed in G.S. 105-236 shall apply in the event of a willful misstatement. If a business established in this State is owned by a nonresident individual or by a partnership having one or more nonresident members, the manager of the business shall report the earnings of the business in this State and the distributive share of the income of each nonresident owner or partner, and shall pay the tax as levied on individuals under G.S. 105-134.2(a)(3) for each nonresident owner or partner. The business may deduct the payment for each nonresident owner or partner from the owner or partner's distributive share of the profits of the business in this State.~~"

Sec. 3. G.S. 105-155 reads as rewritten:

"§ *105-155. Time and place of filing ~~returns.~~ returns; extensions; affirmation.*

(a) Where and When to File. -- ~~Returns shall be in the forms prescribed by the Secretary and~~ An income tax return shall be filed ~~with~~ as prescribed by the Secretary at the ~~Secretary's main office or at any branch office.~~ place prescribed by the Secretary. The income tax return of every taxpayer reporting on a calendar year basis shall be filed on or before the fifteenth day of April in each year, and the income tax return of every taxpayer reporting on a fiscal year basis shall be filed on or before the fifteenth day of the fourth month following the close of the fiscal year. An information return shall be filed at the times prescribed by the Secretary. A taxpayer may ask the Secretary for an extension of time to file a return under G.S. 105-263.

~~(b) The Secretary may, for good cause, allow further time for filing returns. A taxpayer requesting an extension of time for filing shall, on or before the date the return is due, submit an application for an extension of time for filing on a form prescribed by the Secretary and pay the full amount of the tax anticipated to be due.~~

(c) Affirmation. -- ~~There shall be annexed to the return the affirmation of the taxpayer making the return in the following form:~~ Each taxpayer filing an income tax return and each partnership filing an information return under G.S. 105-154(c) shall furnish the following affirmation: 'Under penalties prescribed by law, I hereby affirm that to the best of my knowledge and belief this return, including any accompanying schedules and statements, is true and

complete.' If the return was prepared by a person other than the taxpayer, the preparer's affirmation shall state that it is based on all information of which the preparer has any knowledge.

(d) Forms. -- Returns and affirmations shall be in the form prescribed by the Secretary. ~~The Secretary shall prepare blank forms for the returns, distribute them throughout the State, and furnish them upon application; but failure to receive or secure the form shall not relieve any taxpayer from the obligation of filing a return required by this Division.~~"

Sec. 4. G.S. 105-157(a) reads as rewritten:

"(a) Except as otherwise provided in this section and in Article 4A of this Chapter, the full amount of the tax payable as shown on the face of the return shall be paid to the Secretary at the office where the return is filed at the time fixed by law for filing the return. ~~An extension of time granted for filing the return under G.S. 105-155 is not an extension of time for payment of the full amount of the tax payable.~~ If the amount shown to be due is less than one dollar ($1.00), no payment need be made."

Sec. 5. G.S. 105-252 reads as rewritten:

"*§ 105-252. Returns required.*

~~Any company, firm, corporation, person, association, copartnership, or public utility receiving~~ A person who receives from the Secretary ~~of Revenue~~ any ~~blanks,~~ form requiring ~~information,~~ information shall fill the form out properly and answer each question fully and correctly. If unable to answer a question, the person shall explain why in writing. ~~cause them to be properly filled out so as to answer fully and correctly each question therein propounded, and in case it is unable to answer any question, it shall, in writing, give a good and sufficient reason for such failure.~~ The person shall return the form

~~The answers to such questions shall be verified under oath by such persons, or by the president, secretary, superintendent, general manager, principal accounting officer, partner, or agent, and returned~~ to the Secretary ~~of Revenue at his office within the period fixed by the Secretary of Revenue,~~ at the time and place required by the Secretary. The person shall also furnish an oath or affirmation verifying the return; the oath or affirmation shall be in the form required by the Secretary."

Sec. 6. G.S. 105-254 reads as rewritten:

"*§ 105-254. ~~Blanks furnished by Secretary of Revenue.~~ Secretary to furnish forms.*

The Secretary shall prepare forms suitable for carrying out the duties delegated to the Secretary. Upon request, the Secretary shall provide forms to any person subject to the laws administered by the

Secretary. Failure to receive or secure a form does not relieve a person from a duty to file a return or a report.

~~The Secretary of Revenue shall cause to be prepared suitable blanks for carrying out the purposes of the laws which he is required to administer, and, on application, furnish such blanks to each company, firm, corporation, person, association, copartnership, or public utility subject thereto.~~"

Sec. 7. G.S. 105-160.6 reads as rewritten:

"*§ 105-160.6. Time and place of filing returns.*

~~Returns required under the provisions of G.S. 105-160.5~~ An income tax return of an estate or a trust shall be ~~in such form as the Secretary may prescribe.~~ filed as prescribed by the Secretary at the place prescribed by the Secretary. ~~and shall be filed with the Secretary at the Secretary's main office or at any branch office which the Secretary may establish.~~ The return of every fiduciary reporting on a ~~calendar-year~~ calendar year basis shall be filed on or before the 15th day of April in each year, and the return of every fiduciary reporting on a fiscal year basis shall be filed on or before the 15th day of the fourth month following the close of the fiscal year. A fiduciary may ask the Secretary for an extension of time to file a return under G.S. 105-263. ~~The Secretary may for good cause allow further time for filing a return. A person requesting an extension of time for filing shall, on or before the date the return is due, submit an application for an extension of time for filing on a form prescribed by the Secretary and pay the full amount of the tax anticipated to be due.~~"

Sec. 8. G.S. 105-160.7(a) reads as rewritten:

"(a) The full amount of the tax payable as shown on the face of the return shall be paid to the Secretary at the office where the return is filed at the time fixed by law for filing the return. However, if the amount shown to be due after all credits is less than one dollar ($1.00), no payment need be made. ~~An extension of time granted for filing the return under G.S. 105-160.6 is not an extension of time for payment of the full amount of the tax payable.~~"

Sec. 9. G.S. 105-163.10 reads as rewritten:

"*§ 105-163.10. Withheld amounts credited to individual for calendar year.*

The amount deducted and withheld under G.S. 105-163.2 during any calendar year from the wages of any individual shall be allowed as a credit to that individual against the tax imposed by G.S. 105-134.2 for taxable years beginning in that calendar year. If more than one taxable year begins in that calendar year the amount shall be allowed as a credit against the tax for the last taxable year so beginning. ~~As a prerequisite to obtaining~~ To obtain the credit allowed in this section, the individual ~~taxpayer~~ must file with the Secretary one ~~copy, and such~~

~~other copies and information as may be required by regulation.~~ copy of the withholding statement ~~provided for by G.S.105-163.7, and the withholding statement must accompany the annual income tax return required by G.S. 105-152.~~ required by G.S. 105-163.7 and any other information the Secretary requires."

Sec. 10. G.S. 105-197 reads as rewritten:

"§ *105-197. When return required; due date of return.*

Anyone who, during the calendar year, gives to a donee a gift of a future interest or one or more gifts whose total value exceeds the amount of the annual exclusion set in G.S. 105-188(d) ~~shall~~ must file a gift tax return, under oath or affirmation, with the Secretary of Revenue on a form prescribed by the Secretary. A return is due on or before April 15th following the end of the calendar year. A taxpayer may ask the Secretary of Revenue for an extension of time for filing a return under G.S. 105-263."

Sec. 11. G.S. 105-263 reads as rewritten:

"§ *105-263.* ~~*Time for filing reports extended.*~~ *Extensions of time for filing a report or return.*

The Secretary may extend the time in which a person must file a report or return with the Secretary. To obtain an extension of time for filing a report or return, a person must comply with any application requirement set by the Secretary. In addition, if the extension is for a franchise tax return, an income tax return, or a gift tax return, the person must pay the amount of tax expected to be due with the return by the original due date of the return; an extension of time for filing one of these returns does not extend the time for paying the tax due or the time when a penalty attaches for failure to pay the tax.

If the extension is for a report or any return other than a franchise tax return, an income tax return, or a gift tax return, the person is not required to pay the amount of tax expected to be due with the report or return by the original due date of the report or return; an extension of time for filing a report or one of these other returns extends the time for paying the tax due and the time when a penalty attaches for failure to pay the tax. When an extension of time for filing a report or return extends the time for paying the tax expected to be due with the report or return, interest, at the rate established pursuant to G.S. 105-241.1(i), accrues on the tax due from the original due date of the report or return to the date the tax is paid.

~~The Secretary of Revenue may, in his discretion, extend to any person, firm, corporation, or public utility a further specified time within which to file any report required by law to be filed with the Secretary of Revenue. An extension of time for filing a report granted under G.S. 105-129, 105-130.17, 105-155, or 105-160.6 is not an~~

~~extension of time for payment of the full amount of the tax payable or for the attachment of any penalty for failure to pay the tax. Any other extension of time for filing a report is also an extension of time for attachment of any penalty for failure to file a report or to pay any tax or fee. Interest, at the rate established pursuant to G.S. 105-241.1(i), from the time the report or return was originally required to be filed to the time of payment shall be added to and paid with any tax that might be due on returns so extended.~~"

Sec. 12. G.S. 105-152.1 is repealed.

Sec. 13. Article 9 of Chapter 105 of the General Statutes is amended by adding at the beginning a new section to read:

"§ *105-228.90. Scope and definitions.*

(a) Scope. -- This Article applies to Subchapters I, V, and VIII of this Chapter and to inspection fees levied under Article 3 of Chapter 119 of the General Statutes.

(b) Definitions. -- The following definitions apply in this Article:

(1) Code. -- The Internal Revenue Code as enacted as of January 1, 1992, including any provisions enacted as of that date which become effective either before or after that date.

(2) through (4) Reserved.

(5) Person. -- An individual, a fiduciary, a firm, a partnership, an association, a corporation, a unit of government, or another group acting as a unit.

(6) Secretary. -- The Secretary of Revenue.

(7) Tax. -- A tax levied under Subchapter I, V, or VIII of this Chapter or an inspection fee levied under Article 3 of Chapter 119 of the General Statutes. Unless the context clearly requires otherwise, the terms 'tax' and 'additional tax' include penalties and interest as well as the principal amount.

(8) Taxpayer. -- A person subject to the tax or reporting requirements of Subchapter I, V, or VIII of this Chapter or of Article 3 of Chapter 119 of the General Statutes."

Sec. 14. G.S. 105-130.19(a) reads as rewritten:

"(a) Except as provided in Article 4C of this Chapter, the full amount of the tax payable as shown on the face of the return shall be paid to the Secretary of Revenue at the office where the return is filed and within the time fixed by law for filing the return. ~~An extension of time granted for filing the return under G.S. 105-130.17(d) is not an extension of time for payment of the full amount of the tax payable.~~"

Sec. 15. G.S. 105-134.2(a) reads as rewritten:

"(a) A tax is imposed upon the North Carolina taxable income of every individual. The tax shall be levied, collected, and paid annually

and shall be computed at the following percentages of the taxpayer's North Carolina taxable income.

(1) For married individuals who file a joint return under ~~G.S. 105-152.1~~ G.S. 105-152 and for surviving spouses, as defined in section 2(a) of the Code:

On the North Carolina taxable income up to twenty-one thousand two hundred fifty dollars ($21,250), six percent (6%).

On the amount over twenty-one thousand two hundred fifty dollars ($21,250) and up to one hundred thousand dollars ($100,000), seven percent (7%).

On the amount over one hundred thousand dollars ($100,000), seven and seventy-five one-hundredths percent (7.75%).

(2) For heads of households, as defined in section 2(b) of the Code:

On the North Carolina taxable income up to seventeen thousand dollars ($17,000), six percent (6%).

On the amount over seventeen thousand dollars ($17,000) and up to eighty thousand dollars ($80,000), seven percent (7%).

On the amount over eighty thousand dollars ($80,000), seven and seventy-five one-hundredths percent (7.75%).

(3) For unmarried individuals other than surviving spouses and heads of households:

On the North Carolina taxable income up to twelve thousand seven hundred fifty dollars ($12,750), six percent (6%).

On the amount over twelve thousand seven hundred fifty dollars ($12,750) and up to sixty thousand dollars ($60,000), seven percent (7%).

On the amount over sixty thousand dollars ($60,000), seven and seventy-five one-hundredths percent (7.75%).

(4) For married individuals who do not file a joint return under ~~G.S. 105-152.1;~~ G.S. 105-152:

On the North Carolina taxable income up to ten thousand six hundred twenty-five dollars ($10,625), six percent (6%).

On the amount over ten thousand six hundred twenty-five dollars ($10,625) and up to fifty thousand dollars ($50,000), seven percent (7%).

On the amount over fifty thousand dollars ($50,000), seven and seventy-five one-hundredths percent (7.75%)."

Sec. 16. G.S. 105-151.2(b) reads as rewritten:

"(b) In the case of property owned by the entirety, ~~where~~ if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint ~~return under G.S. 105-152.1.~~ return. ~~Where~~ If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this ~~section.~~ section on a separate return."

Sec. 17. G.S. 105-151.7(b) reads as rewritten:

"(b) In the case of property owned by the entirety, ~~where~~ if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint ~~return under G.S. 105-152.1.~~ return. ~~Where~~ If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this ~~section.~~ section on a separate return."

Sec. 18. G.S. 105-151.8(b) reads as rewritten:

"(b) In the case of property owned by the entirety, ~~where~~ if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint ~~return under G.S. 105-152.1.~~ return. ~~Where~~ If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this ~~section.~~ section on a separate return."

Sec. 19. G.S. 105-151.9(b) reads as rewritten:

"(b) In the case of property owned by the entirety, ~~where~~ if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint ~~return under G.S. 105-152.1.~~ return. ~~Where~~ If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this ~~section.~~ section on a separate return."

Sec. 20. G.S. 105-151.10(b) reads as rewritten:

"(b) In the case of property owned by the entirety, ~~where~~ if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint ~~return under G.S. 105-152.1.~~ return. ~~Where~~ If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this ~~section.~~ section on a separate return."

Sec. 21. G.S. 105-151.12(d) reads as rewritten:

"(d) In the case of property owned by a married couple, ~~where~~ if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint ~~return under G.S. 105-152.1. Where~~ return. If only one

spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this ~~section.~~ section on a separate return."

Sec. 22. G.S. 105-151.13(c) reads as rewritten:

"(c) In the case of conservation tillage equipment owned jointly by a husband and wife, ~~where~~ if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint ~~return under G.S. 105-152.1, return.~~ ~~Where~~ If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this ~~section.~~ section on a separate return."

Sec. 23. G.S. 105-266 reads as rewritten:

"§ *105-266. Overpayment of taxes to be refunded with interest*

If the Secretary of Revenue discovers from the examination of any return, or otherwise, that any taxpayer has overpaid the correct amount of tax (including penalties, interest and costs if any), that overpayment if the amount of three dollars ($3.00) or more, shall be refunded to the taxpayer within 60 days after it is ascertained together with interest at the rate established in G.S. 105-241.1(i) for assessments; provided, that interest on the refund shall be computed from a date 90 days after the date the tax was originally paid by the taxpayer; except that there shall be no refund to the taxpayer of any sum set off under the provisions of Chapter 105A, the Set-off Debt Collection Act. If the overpayment is less than three dollars ($3.00) the overpayment shall be refunded only upon receipt by the Secretary of Revenue of a written demand for the refund from the taxpayer. Provided, however, that no overpayment shall be refunded irrespective of whether upon discovery or receipt of written demand if the discovery is not made or the demand is not received within three years from the date set by the statute for the filing of the return or within six months of the payment of the tax alleged to be an overpayment, whichever date is the later. ~~The provisions of this paragraph shall~~ This section does not apply to interest required under G.S. 105-267. ~~When~~ This section applies to a refund payable to a husband and wife who ~~have elected under G.S. 105-152.1 to file~~ filed a joint return. ~~return and a refund for overpayment of tax is made payable to both spouses as provided in that subsection, the provisions of this section shall apply to the refund.~~"

Sec. 24. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

H.B. 1366 **CHAPTER 931**

AN ACT TO EXPAND THE SCHOOL LUNCH SALES TAX EXEMPTION TO INCLUDE ALL SCHOOL FOODS SERVED BY SCHOOL CAFETERIAS DURING THE SCHOOL DAY AND FOODS SOLD BY SCHOOL CAFETERIAS TO DAY CARE CENTERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.13(26) reads as rewritten:

"(26) ~~Lunches to school children when such sales are made within school buildings and are not for profit.~~ Food sold not for profit by public or private school cafeterias within school buildings during the regular school day."

Sec. 2. G.S. 105-164.13 is amended by adding a new subdivision to read:

"(26a) Food sold not for profit by a public school cafeteria to a child day care center that participates in the Child and Adult Care Food Program of the Department of Public Instruction."

Sec. 3. This act becomes effective August 1, 1992.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.B. 145 **CHAPTER 932**

AN ACT TO CHANGE THE REQUIREMENT THAT TWENTY-FIVE PERCENT OF PLASTIC BAGS BE RECYCLED TO A GOAL, TO EXTEND THE DATE ON WHICH TWENTY-FIVE PERCENT OF CERTAIN POLYSTYRENE FOAM PRODUCTS MUST BE RECYCLED, TO AUTHORIZE COUNTIES TO INCLUDE FEES FOR SUBSURFACE DISCHARGE WASTEWATER MANAGEMENT SYSTEMS AND SERVICES ON PROPERTY TAX BILLS, AND TO ALLOW REGIONAL SOLID WASTE MANAGEMENT AUTHORITIES TO MANAGE NONHAZARDOUS SLUDGES ON THE SAME BASIS AS INDIVIDUAL UNITS OF LOCAL GOVERNMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-309.10(c) reads as rewritten:

"(c) (1) After 1 January 1991, no plastic bag shall be provided at any retail outlet to any retail customer to use for the purpose of carrying items purchased by that customer unless the bag is composed of material which is

recyclable. Notice of recyclability shall be printed on each bag purchased by the retailer after 1 January 1991.

(2) ~~After 1 January 1993, no plastic bag shall be provided at any retail outlet to any retail customer to use for the purpose of carrying items purchased by that customer unless the Secretary certifies that not less than twenty-five percent (25%) of such bags are being recycled.~~ It is the goal of the State that, by 1 January 1993, at least twenty-five percent (25%) of the plastic bags provided at retail outlets in the State to retail customers for carrying items purchased by the customer be recycled."

Sec. 2. G.S. 130A-309.10(d) reads as rewritten:

"(d) (1) After 1 October 1991, no person shall distribute, sell, or offer for sale in this State any polystyrene foam product which is to be used in conjunction with food for human consumption unless such product is composed of material which is recyclable.

(2) After 1 October ~~1993,~~ 1997, no person shall distribute, sell, or offer for sale in this State any polystyrene foam product ~~which~~ that is to be used in conjunction with food for human consumption unless the Secretary certifies that ~~not less than~~ at least twenty-five percent (25%) of such products are being recycled. This subdivision does not apply to any polystyrene foam product containing at least twenty-five percent (25%) polystyrene derived from products that have been collected for recycling after those products have served the purpose for which they were manufactured."

Sec. 3. G. S. 153A-277(a) reads as rewritten:

"(a) A county may establish and revise from time to time schedules of rents, rates, fees, charges, and penalties for the use of or the services furnished by a public enterprise. Schedules of rents, rates, fees, charges, and penalties may vary for the same class of service in different areas of the county and may vary according to classes of service, and different schedules may be adopted for services provided outside of the county. A county may include a fee relating to subsurface discharge wastewater management systems and services on the property tax bill for the real property where the system for which the fee is imposed is located."

Sec. 4. G.S. 153A-421 reads as rewritten:

"*§ 153A-421. Definitions; applicability; creation of authorities.*

(a) Unless a different meaning is required by the context, terms relating to the management of solid waste used in this Article have the same meaning as in G.S. 130A-2 and in G.S. 130A-290. As used in

this Article, the term 'solid waste' means nonhazardous solid waste, that is, solid waste as defined in G.S. 130A-290 but not including hazardous ~~waste or sludge.~~ waste.

(b) This Article shall not be construed to authorize any authority created pursuant to this Article to regulate or manage hazardous ~~wastes or sludge.~~ waste. An authority created under this Article may manage sludges, other than a sludge that is a hazardous waste, under rules of the Commission for Health Services and criteria established by the Department of Environment, Health, and Natural Resources for the management of sludge.

(c) Any two or more units of local government may create a regional solid waste management authority by adopting substantially identical resolutions to that effect in accordance with the provisions of this Article. The resolutions creating a regional solid waste management authority and any amendments thereto are referred to in this Article as the 'charter' of the regional solid waste management authority. Units of local government which participate in the creation of a regional solid waste management authority are referred to in this Article as 'members'.

(d) As used in G.S. 153A-427(a)(24), the term 'transferred' means placed at or delivered to any (i) place normally and customarily used by the authority for the collection of solid waste, (ii) other place agreed upon by the generator or owner of recyclable materials and the authority, or (iii) facility owned, operated, or designated by the authority."

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 556 **CHAPTER 933**

AN ACT TO ALLOW ABSENTEE VOTING IN REFERENDA ON INCORPORATION OF A MUNICIPALITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 163-302 reads as rewritten:

"§ *163-302. Absentee voting.*

(a) In any municipal election, including a primary or general election or referendum, conducted by the county board of elections, absentee voting may, upon resolution of the municipal governing body, be permitted. Such resolution must be adopted no later than 60 days prior to an election in order to be effective for that election. Any such resolution shall remain effective for all future elections unless repealed no later than 60 days before an election. A copy of all

resolutions adopted under this section shall be filed with the State Board of Elections and the county board of elections conducting the election within 10 days of passage in order to be effective. Absentee voting shall not be permitted in any municipal election unless such election is conducted by the county board of elections. In addition, absentee voting shall be allowed in any referendum on incorporation of a municipality.

(b) The provisions of Articles 20 and 21 of this Chapter shall apply to absentee voting in municipal elections, special district elections, and other elections for an area less than an entire county other than elections for the General Assembly, except that the earliest date by which absentee ballots shall be required to be available for absentee voting in such elections shall be 30 days prior to the primary or election or as quickly following the filing deadline specified in G.S. 163-291(2) or G.S. 163-294.2(c) as the county board of elections is able to secure the official ballots. In elections on incorporation of a municipality not held at the same time as another election in the same area, the county board of elections shall adopt a special schedule of meetings of the county board of elections to approve absentee ballot applications so as to reduce the cost of the process, and to further implement the last paragraph of G.S. 163-230(2)a. If no application has been received since the last meeting, no meeting shall be held of the county board of elections under such schedule unless the meeting is scheduled for another purpose. If another election is being held in the same area on the same day, or elsewhere in the county, the cost of per diem for meetings of the county board of elections to approve absentee ballots shall not be considered a cost of the election to be billed to the municipality being created."

Sec. 2. This act becomes effective with respect to elections held on or after January 1, 1993.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 967 **CHAPTER 934**

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE TOWN OF SELMA.

The General Assembly of North Carolina enacts:

Section 1. The Charter of the Town of Selma is revised and consolidated to read as follows:

"THE CHARTER OF THE TOWN OF SELMA.

"ARTICLE I. INCORPORATION, CORPORATE POWERS AND BOUNDARIES.

"Section 1.1. *Incorporation.* The Town of Selma, North Carolina in Johnston County and the inhabitants thereof shall continue to be a municipal body politic and corporate, under the name of the 'Town of Selma,' hereinafter at times referred to as the 'Town.'

"Sec. 1.2. *Powers.* The Town shall have and may exercise all of the powers, duties, rights, privileges, and immunities conferred upon the Town of Selma specifically by this Charter or upon municipal corporations by general law. The term 'general law' is employed herein as defined in G.S. 160A-1.

"Sec. 1.3. *Corporate Limits.* The corporate limits shall be those existing at the time of ratification of this Charter, as set forth on the official map of the Town and as they may be altered from time to time in accordance with law. An official map of the Town, showing the current boundaries, shall be maintained permanently in the office of the Town Clerk and shall be available for public inspection. Immediately upon alteration of the corporate limits made pursuant to law, the appropriate changes to the official map shall be made and copies shall be filed in the office of the Secretary of State, the Johnston County Register of Deeds, and the appropriate board of elections.

"ARTICLE II. GOVERNING BODY.

"Sec. 2.1. *Town Council; Composition.* The Town Council, hereinafter referred to as the 'Council,' shall be the governing body of the Town. The Council shall be composed of four members and the Mayor.

"Sec. 2.2. *Council Members; Terms of Office.* Four Council members shall be elected at large by all the qualified voters of the Town for staggered terms of four years or until their successors are elected and qualified.

"Sec. 2.3. *Mayor; Term of Office; Duties.* The Mayor shall be elected by all the qualified voters of the Town for a term of two years or until his or her successor is elected and qualified. The Mayor shall be the official head of the Town government and preside at meetings of the Council, shall have the right to vote on all matters before the Council, and shall exercise the powers and duties conferred by law or as directed by the Council.

"Sec. 2.4. *Mayor Pro Tempore.* The Council shall elect one of its members as Mayor Pro Tempore to perform the duties of the Mayor during his or her absence or disability, in accordance with general law. The Mayor Pro Tempore shall serve in such capacity at the pleasure of the Council.

"Sec. 2.5. *Meetings.* In accordance with general law, the Council shall establish a suitable time and place for its regular meetings.

Special and emergency meetings may be held as provided by general law.

"Sec. 2.6. *Voting Requirements; Quorum.* Official actions of the Council and all votes shall be taken in accordance with the applicable provisions of general law, particularly G.S. 160A-75. A majority of the actual membership of the Council, excluding vacant seats, shall constitute a quorum.

"Sec. 2.7. *Compensation; Qualifications for Office; Vacancies.* The compensation and qualifications of the Mayor and Council shall be in accordance with general law. Vacancies that occur in any elective office of the Town shall be filled in accordance with the provisions of G.S. 160A-63.

"ARTICLE III. ELECTIONS.

"Sec. 3.1. *Regular Municipal Elections.* Regular municipal elections shall be held in each odd-numbered year in accordance with the uniform municipal election laws of North Carolina. Elections shall be conducted on a nonpartisan basis and the results determined using the nonpartisan plurality method as provided in G.S. 163-292.

"Sec. 3.2. *Election of Mayor.* A Mayor shall be elected in each regular municipal election.

"Sec. 3.3. *Election of Council.* Two Council members shall be elected in each regular municipal election, as the respective terms expire.

"Sec. 3.4. *Special Elections and Referendums.* Special elections and referendums may be held only as provided by general law or applicable local acts of the General Assembly.

"ARTICLE IV. ORGANIZATION AND ADMINISTRATION.

"Sec. 4.1. *Form of Government.* The Town shall operate under the council-manager form of government, in accordance with Part 2 of Article 7 of Chapter 160A of the General Statutes.

"Sec. 4.2. *Town Manager.* The Council shall appoint a Town Manager who shall be responsible for the administration of all departments of the Town government. The Town Manager shall have all the powers and duties conferred by general law, except as expressly limited by the provisions of this Charter, and the additional powers and duties conferred by the Council, so far as authorized by general law.

"Sec. 4.3. *Town Clerk.* The Manager shall appoint a Town Clerk to keep a journal of the proceedings of the Council; to maintain official records and documents; to give notice of meetings; and to perform such other duties required by law or as the Manager may direct.

"Sec. 4.4. *Tax Collector.* The Manager shall appoint a Tax Collector to collect all taxes owed to the Town, subject to general law, this Charter and Town ordinances.

"Sec. 4.5. *Town Attorney.* The Council shall appoint a Town Attorney licensed to practice law in North Carolina. It shall be the duty of the Town Attorney to represent the Town, advise Town officials and perform other duties required by law or as the Council may direct.

"Sec. 4.6. *Other Administrative Officers and Employees.* The council may authorize other positions to be filled by appointment by the Town Manager, and may organize the Town government as deemed appropriate, subject to the requirements of general law.

"ARTICLE V. PUBLIC IMPROVEMENTS.

"Sec. 5.1. *Assessments for Street Improvements; Petition Unnecessary.* In addition to any authority granted by general law, the Council may, without the necessity of a petition, order street improvements and assess the total costs thereof against abutting property, exclusive of the costs incurred at street intersections, according to one or more of the assessment bases set forth in Article 10 of Chapter 160A of the General Statutes, upon the following findings of fact:

(1) The street improvement project does not exceed 2,500 linear feet; and

(2) a. Such street or part thereof is unsafe for vehicular traffic or creates a safety or health hazard and it is in the public interest to make such improvements; or

b. It is in the public interest to connect two streets or portions of a street already improved; or

c. It is in the public interest to widen a street, or part thereof, which is already improved; provided that assessments for widening any street or portion of a street without a petition shall be limited to the cost of widening and otherwise improving such street in accordance with street classification and improvement standards established by the Town, as applied to the particular street or part thereof.

"Sec. 5.2. *Street Improvements; Definition.* For the purposes of this Article, the term 'street improvement' shall include grading, regrading, surfacing, resurfacing, widening, paving, repaving, acquisition of right-of-way, and construction or reconstruction of curbs, gutters, and street drainage facilities.

"Sec. 5.3. *Assessments for Sidewalk Improvements; Petition Unnecessary.* In addition to any authority granted by general law, the Council may, without the necessity of a petition, order sidewalk

improvements or repairs according to standards and specifications of the Town, and assess the total costs thereof against abutting property, according to one or more of the assessment bases set forth in Article 10 of Chapter 160A of the General Statutes; provided that regardless of the assessment basis or bases employed, the Council may order the costs of sidewalk improvements made only on one side of a street to be assessed against property abutting both sides of such street.

"Sec. 5.4. *Procedure; Effect of Assessment.* In ordering public improvements without a petition and assessing the costs thereof under authority of this Article, the council shall comply with the procedures required by Article 10 of Chapter 160A of the General Statutes except those provisions relating to petitions of property owners and sufficiency thereof. The effect of the act of levying assessments under authority of this Article shall be the same as if the assessments were levied under authority of Article 10 of Chapter 160A of the General Statutes.

"ARTICLE VI. ADDITIONAL PROVISIONS.

"Sec. 6.1. *Firemen's Supplemental Retirement Fund.* The Selma Firemen's Supplemental Retirement Fund shall continue as authorized by Chapter 614, Session Laws of 1987."

Sec. 2. The purpose of this act is to revise the Charter of the Town of Selma and to consolidate certain acts concerning the property, affairs, and government of the Town. It is intended to continue without interruption those provisions of prior acts which are expressly consolidated into this act, so that all rights and liabilities which have accrued are preserved and may be enforced.

Sec. 3. This act does not repeal or affect any acts concerning the property, affairs, or government of public schools, or acts validating official actions, proceedings, contracts, or obligations of any kind.

Sec. 4. The following acts, having served the purposes for which they were enacted or having been consolidated into this act, are expressly repealed:

Chapter 16, Private Laws of 1872-73
Chapter 135, Private Laws of 1887
Chapter 67, Private Laws of 1897
Chapter 205, Private Laws of 1901
Chapter 186, Private Laws of 1911
Chapter 116, Private Laws of 1915
Chapter 30, Private Laws of 1919
Chapter 191, Private Laws of 1925
Chapter 214, Private Laws of 1925
Chapter 9, Private Laws of 1933
Chapter 54, Private Laws of 1933

Chapter 225, Private Laws of 1933
Chapter 145, Private Laws of 1935
Chapter 277, Public-Local Laws of 1937
Chapter 373, Session Laws of 1953
Chapter 1261, Session Laws of 1953
Chapter 967, Session Laws of 1955
Chapter 22, Session Laws of 1957
Chapter 112, Session Laws of 1959
Chapter 177, Session Laws of 1961
Chapter 379, Session Laws of 1963
Chapter 606, Session Laws of 1963
Chapter 458, Session Laws of 1965.

Sec. 5. The Mayor and Council members serving on the date of ratification of this act shall serve until the expiration of their terms. Thereafter those offices shall be filled as provided in Articles II and III of the Charter contained in Section 1 of this act.

Sec. 6. This act does not affect any rights or interests which arose under any provisions repealed by this act.

Sec. 7. All existing ordinances, resolutions, and other provisions of the Town of Selma not inconsistent with the provisions of this act shall continue in effect until repealed or amended.

Sec. 8. No action or proceeding pending on the effective date of this act by or against the Town or any of its departments or agencies shall be abated or otherwise affected by this act.

Sec. 9. If any provision or application of this act is held invalid, such invalidity shall not affect other provisions or applications of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 10. Whenever a reference is made in this act to a particular provision of the General Statutes, and such provision is later amended, superseded, or recodified, the reference shall be deemed amended to refer to the amended General Statute, or to the General Statute which most clearly corresponds to the statutory provision which is superseded or recodified.

Sec. 11. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 969 **CHAPTER 935**

AN ACT TO EXEMPT FROM SALES AND USE TAXES FOOD THAT IS ACQUIRED AT WHOLESALE AND THEN DONATED TO A NONPROFIT ORGANIZATION, AND TO

REMOVE THE INSURANCE LIABILITY EXCEPTION TO THE QUALIFIED IMMUNITY OF DONORS AND DONEES OF DONATED FOOD.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.13 is amended by adding a new subdivision to read:

"(31b) Food purchased by either a wholesale merchant or a retailer in a wholesale sale and then withdrawn from inventory and donated by the wholesale merchant or retailer to a nonprofit organization to be used for a charitable purpose."

Sec. 2. G.S. 99B-10 reads as rewritten:

"*§ 99B-10. Immunity for donated food.*

(a) Notwithstanding the provisions of Article 12 of Chapter 106 of the General Statutes, or any other provision of law, any person, including but not limited to a seller, farmer, processor, distributor, wholesaler or retailer of food, who donates an item of food for use or distribution by a nonprofit organization or nonprofit corporation shall not be liable for civil damages or criminal penalties resulting from the nature, age, condition, or packaging of the donated food, unless an injury is caused by the gross negligence, recklessness, or intentional misconduct of the donor. ~~To the extent, however, that a donor has liability insurance, the donor shall be deemed to have waived the qualified immunity herein to the extent of indemnification by insurance for the negligent acts or omissions of the donor.~~

(b) Notwithstanding any other provision of law, any nonprofit organization or nonprofit corporation that uses or distributes food that has been donated to it for such use or distribution shall not be liable for civil damages or criminal penalties resulting from the nature, age, condition, or packaging of the donated food, unless an injury is caused by the gross negligence, recklessness, or intentional misconduct of the organization or corporation. ~~To the extent, however, that a nonprofit organization or nonprofit corporation has liability insurance, the organization or corporation shall be deemed to have waived the qualified immunity herein to the extent of indemnification by insurance for its negligent acts or omissions.~~"

Sec. 3. This act becomes effective August 1, 1992. Section 2 of this act applies to acts or omissions occurring on or after that date.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 1046 **CHAPTER 936**

AN ACT TO PERMIT THE COUNTIES OF EDGECOMBE, HALIFAX AND NASH TO RENAME COUNTY PUBLIC AND PRIVATE ROADS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-238(b) reads as rewritten:

"(b) This section applies to Alamance, Avery, Brunswick, Burke, Cabarrus, Cleveland, Edgecombe, Halifax, Henderson, McDowell, Nash, New Hanover, Pender, Randolph, Sampson, Stokes, and Surry Counties only."

Sec. 2. G.S. 153A-239.1(b) reads as rewritten:

"(b) This section applies to Alamance, Avery, Brunswick, Burke, Cabarrus, Cleveland, Edgecombe, Halifax, Henderson, McDowell, Nash, New Hanover, Pender, Randolph, Sampson, Stokes and Surry Counties only."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 1122 **CHAPTER 937**

AN ACT TO PERMIT THE COUNTY OF CABARRUS TO CONDEMN CERTAIN PROPERTY OF PRIVATE CONDEMNORS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 40A-5(b) reads as rewritten:

"(b) Unless otherwise provided by statute a condemnor listed in G.S. 40A-3(a), (b) or (c) may condemn the property of a private condemnor if the condemnor shows that (i) ~~if such~~ the property is not in actual public ~~use or~~ use, (ii) the property is not necessary to the operation of the business of the ~~owner.~~ owner, or (iii) the taking would not unreasonably impair or restrict the use of the property. Unless otherwise provided by statute a condemnor listed in G.S. 40A-3(b) or (c) may condemn the property of a condemnor listed in G.S. 40A-3(b) or (c) if the property proposed to be taken is not being used or held for future use for any governmental or proprietary purpose."

Sec. 2. G.S. 40A-42(c) reads as rewritten:

"(c) If the property is owned by a private condemnor, the vesting of title in the condemnor and the right to immediate possession of the property shall not become effective until the superior court has

rendered final judgment (after any appeals) that (i) the property is not in actual public ~~use or~~ use, (ii) the property is not necessary to the operation of the business of the owner, or (iii) the taking of the property would not unreasonably impair or restrict the use of the property, as set forth in G.S. 40A-5(b)."

Sec. 3. This act applies to Cabarrus County only.

Sec. 4. This act is effective upon ratification and expires July 1, 1995.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 1124 **CHAPTER 938**

AN ACT TO AUTHORIZE THE COUNTY OF FRANKLIN TO TAKE INTO CONSIDERATION PROSPECTIVE REVENUES GENERATED BY THE DEVELOPMENT IN ARRIVING AT THE AMOUNT OF CONSIDERATION FOR AN ECONOMIC DEVELOPMENT CONVEYANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 158-7.1(d1) reads as rewritten:

"(d1) In arriving at the amount of consideration that it receives, the Board may take into account prospective tax revenues from improvements to be constructed on the property, prospective sales tax revenues to be generated in the area, as well as any other prospective tax revenues or income coming to the county or city over the next 10 years as a result of the conveyance or lease provided the following conditions are met:

(1) The governing board of the county or city shall determine that the conveyance of the property will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs in the county or city.

(2) The governing board of the county or city shall contractually bind the purchaser of the property to construct improvements on the property within a specified period of time, not to exceed 10 years, which improvements are sufficient to generate the tax revenue taken into account in arriving at the consideration. Upon failure to construct the improvements specified in the contract, the purchaser shall reconvey the property back to the county or city.

This subsection applies to the Cities of Concord, Conover, Kannapolis, Mooresville, Mount Airy, St. Pauls, Selma, Smithfield, Statesville, Troutman, and Winston-Salem, and the Counties of Ashe, Cabarrus, Forsyth, Franklin, Iredell, and Johnston."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 1134 **CHAPTER 939**

AN ACT TO ESTABLISH THE CORPORATE LIMITS OF THE TOWN OF BENSON.

The General Assembly of North Carolina enacts:

Section 1. A portion of the corporate limits of the Town of Benson shall be as follows:

Beginning at an iron stake at the southern R/W of NC 27, said stake being in the city limit line of the Town of Benson, as established in 1959, and being located 50 feet south of the center of NC 27, and being located South 76 degrees 54 minutes 55 seconds East 25.14 feet from the NW corner of the Jerry McLamb Lot, said stake also being located South 4 degrees 06 minutes 52 seconds West 622.11 feet from the NW corner of the Town of Benson City Limit as established in 1959, and being located North 82 degrees 54 minutes 19 seconds West 413.9 feet from NC GS Station Ben-Ral at the intersection of NC 50 and NC 27 and from said BEGINNING POINT runs as the R/W of NC 27 North 76 degrees 54 minutes 55 seconds West 25.14 feet to an iron stake, corner for the Jerry McLamb house lot; thence as the line of Jerry McLamb South 12 degrees 43 minutes 15 seconds West 199.88 feet to a 1 inch pipe, a corner for Jerry McLamb; thence South 77 degrees 14 minutes 10 seconds East 141.02 feet to a 1 1/4 inch pipe, corner for Jerry McLamb; thence as the line of McLamb and the adjacent subdivision South 1 degree 56 minutes 07 seconds West 1514.38 feet to a 1/2 inch rebar, corner for Will Woodall; thence South 1 degree 27 minutes 22 seconds West 681.38 feet to a 3/4 inch rod, corner for the Hall lot; thence South 1 degree 28 minutes 23 seconds West 190.20 feet to a 5/8 inch rod in the line of the Hall lot, said rod being R/W of Mann Street South 50 degrees 30 minutes East 1585.11 feet to an iron stake, corner for property formerly known as J and J Burger Hut, said stake being located in the southern R/W of Mann Street, and also being located North 50 degrees 30 minutes West 100 feet from the intersection of the southern R/W of Mann Street with the western R/W of Wall Street or US 301 highway.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 1195 **CHAPTER 940**

AN ACT TO EXEMPT FROM SALES AND USE TAXES DRUGS THAT ARE DONATED TO A NONPROFIT ORGANIZATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.13 is amended by adding a new subdivision to read:

"(13a) Legend and non-legend drugs donated to a nonprofit organization to be used for a charitable purpose."

Sec. 2. This act becomes effective August 1, 1992.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 192 **CHAPTER 941**

AN ACT RECOMMENDED BY THE JUVENILE LAW STUDY COMMISSION TO ALLOW TERMINATION OF PARENTAL RIGHTS AFTER A PARENT HAS LEFT A CHILD IN FOSTER CARE FOR TWELVE MONTHS WITHOUT MAKING REASONABLE PROGRESS TOWARDS CORRECTING THE CONDITIONS THAT LED TO FOSTER CARE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-289.32(3) reads as rewritten:

"(3) The parent has willfully left the child in foster care for more than ~~18~~ 12 months without showing to the satisfaction of the court that reasonable progress under the circumstances has been made within ~~18~~ 12 months in correcting those conditions which led to the removal of the child or without showing positive response within ~~18~~ 12 months to the diligent efforts of a county Department of Social Services, a child-caring institution or licensed child-placing agency to encourage the parent to strengthen the parental relationship to the child or to make and follow through with constructive planning for the future of the child. Provided, however, that no parental rights shall be terminated for the sole reason that the parents are unable to care for the child on account of their poverty."

Sec. 2. This act becomes effective October 1, 1992, and applies to cases filed on and after that date.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 599 **CHAPTER 942**

AN ACT TO MAKE VARIOUS CHANGES IN THE PUBLIC SCHOOL TENURE LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-325 reads as rewritten:

"*§ 115C-325. System of employment for public school teachers.*

(a) Definition of Terms. -- As used in this section unless the context requires otherwise:

(1) 'Career teacher' means a teacher who has obtained career status as provided in G.S. 115C-325(c).

(2) 'Committee' means the Professional Review Committee created under G.S. 115C-325(g).

(3) 'Day' means calendar day. In computing any period of time, Rule 6 of the North Carolina Rules of Civil Procedure shall apply.

(4) 'Demote' means to reduce the compensation of a person who is classified or paid by the State Board of Education as a classroom teacher, or to transfer him to a new position carrying a lower salary, or to suspend him without pay to a maximum of 60 days; provided, however, that a suspension without pay pursuant to the provisions of G.S. 115C-325(f) shall not be considered a demotion. The word 'demote' does not include a reduction in compensation that results from the elimination of a special duty, such as the duty of an athletic coach, assistant principal, or a choral director.

(5) 'Probationary teacher' means a certificated person, other than a superintendent, associate superintendent, or assistant superintendent, who has not obtained career-teacher status and whose major responsibility is to teach or to supervise teaching.

(6) 'Teacher' means a person who holds at least a current, not expired, Class A certificate or a regular, not provisional or expired, vocational certificate issued by the Department of Public Instruction; whose major responsibility is to teach or directly supervise teaching or who is classified by the State Board of Education or is paid as a classroom teacher; and who is employed to fill a full-time, permanent position.

(b) Personnel Files. -- The superintendent shall maintain in his office a personnel file for each teacher that contains any complaint, commendation, or suggestion for correction or improvement about the teacher's professional conduct. The complaint, commendation, or suggestion shall be signed by the person who makes it and shall be

placed in the teacher's file only after five days' notice to the teacher. Any denial or explanation relating to such complaint, commendation, or suggestion that the teacher desires to make shall be placed in the file. Any teacher may petition the local board of education to remove any information from his personnel file that he deems invalid, irrelevant, or outdated. The board may order the superintendent to remove said information if it finds the information is invalid, irrelevant, or outdated.

The personnel file shall be open for the teacher's inspection at all reasonable times but shall be open to other persons only in accordance with such rules and regulations as the board adopts. Any preemployment data or other information obtained about a teacher before his employment by the board may be kept in a file separate from his personnel file and need not be made available to him. No data placed in the preemployment file may be introduced as evidence at a hearing on the dismissal or demotion of a teacher.

(c) (1) Election of a Teacher to Career Status. -- When a teacher will have been employed by a North Carolina public school system for three consecutive years, the board, near the end of the third year, shall vote upon his employment for the next school year. The board shall give him written notice of that decision by June 1 of his third year of employment. If a majority of the board votes to reemploy the teacher, and if it has notified him of the decision, it may not rescind that action but must proceed under the provisions of this section for the demotion or dismissal of a teacher if it decides to terminate his employment. If a majority of the board votes against reemploying the teacher, he shall not teach beyond the current school term. If the board fails to vote on granting career status but reemploys him for the next year, he automatically becomes a career teacher on the first day of the fourth year of employment.

A year, for purposes of computing time as a probationary teacher, shall be not less than 120 workdays performed as a full-time, permanent teacher in a normal school year.

(2) Employment of a Career Teacher. -- A teacher who has obtained career status in ~~another~~ any North Carolina public school system need not serve another probationary period of more than two years, and may, at the option of the board, be employed immediately as a career teacher. In any event, if the teacher is reemployed for a third consecutive school year, he shall automatically become a career teacher. A teacher with career status who resigns and within five years ~~seeks to be~~ is reemployed by the same local school

administrative unit need not serve another probationary period of more than one school year and may, at the option of the board, be reemployed as a career teacher. In any event, if he is reemployed for a second consecutive school year, he shall automatically become a career teacher.

(3) Ineligible for Career Status. -- No superintendent, associate superintendent, assistant superintendent or other school employee who is not a teacher as defined by G.S. 115C-325(a)(6) is eligible to obtain career status or continue in a career status if he no longer performs the responsibilities of a teacher as defined in G.S. 115C-325(a)(6).

(4) Leave of Absence. -- A career teacher who has been granted a leave of absence by a board shall maintain his career status if he returns to his teaching position at the end of the authorized leave.

(d) Career Teachers.

(1) A career teacher shall not be subjected to the requirement of annual appointment nor shall he be dismissed, demoted, or employed on a part-time basis without his consent except as provided in subsection (e).

(2) Whether or not he has previously attained career status as a teacher, a person who has performed the duties of a principal in the school system for three consecutive years or has performed the duties of a supervisor in the school system for three consecutive years shall not be transferred from that position to a lower paying administrative position or to a lower paying nonadministrative position without his consent except for the reasons given in G.S. 115C-325(e)(1) and in accordance with the provisions for the dismissal of a career teacher set out in this section. Transfer of a principal or a supervisor is not a transfer to a lower paying position if the principal's or supervisor's salary is maintained at the previous salary amount.

When a teacher has performed the duties of supervisor or principal for three consecutive years, the board, near the end of the third year, shall vote upon his employment for the next school year. The board shall give him written notice of that decision by June 1 of his third year of employment as a supervisor or principal. If a majority of the board votes to reemploy the teacher as a principal or supervisor, and it has notified him of that decision, it may not rescind that action but must proceed under the provisions of this section. If a majority of the board votes not to reemploy the teacher as a

principal or supervisor, he shall retain career status as a teacher if that status was attained prior to assuming the duties of supervisor or principal. A supervisor or principal who has not held that position for three years and whose contract will not be renewed for the next school year shall be notified by June 1 and shall retain career status as a teacher if that status was attained prior to assuming the duties of supervisor or principal.

A year, for purposes of computing time as a probationary principal or supervisor, shall not be less than 145 workdays performed as a full-time, permanent principal or supervisor in a contract year.

A principal or supervisor who has obtained career status in that position in any North Carolina public school system may be required by the board of education in another school system to serve an additional three-year probationary period in that position before being eligible for career status. However, he may, at the option of the board of education, be granted career status immediately or after serving a probationary period of one or two additional years. A principal or supervisor with career status who resigns and within five years is reemployed by the same school system need not serve another probationary period in that position of more than two years and may, at the option of the board, be reemployed immediately as a career principal or supervisor or be given career status after only one year. In any event, if he is reemployed for a third consecutive year, he shall automatically become a career principal or supervisor.

(e) Grounds for Dismissal or Demotion of a Career Teacher.

(1) No career teacher shall be dismissed or demoted or employed on a part-time basis except for one or more of the following:

a. Inadequate performance.
b. Immorality.
c. Insubordination.
d. Neglect of duty.
e. Physical or mental incapacity.
f. Habitual or excessive use of alcohol or nonmedical use of a controlled substance as defined in Article 5 of Chapter 90 of the General Statutes.
g. Conviction of a felony or a crime involving moral turpitude.

h. Advocating the overthrow of the government of the United States or of the State of North Carolina by force, violence, or other unlawful means.
i. Failure to fulfill the duties and responsibilities imposed upon teachers by the General Statutes of this State.
j. Failure to comply with such reasonable requirements as the board may prescribe.
k. Any cause which constitutes grounds for the revocation of such career teacher's teaching certificate.
l. A justifiable decrease in the number of positions due to district reorganization, decreased enrollment, or decreased funding, provided that there is compliance with subdivision (2).
m. Failure to maintain his certificate in a current status.
n. Failure to repay money owed to the State in accordance with the provisions of Article 60, Chapter 143 of the General Statutes.
o. Providing false information or knowingly omitting a material fact on an application for employment or in response to a preemployment inquiry.

(2) Before recommending to a board the dismissal or demotion of the career teacher pursuant to G.S. 115C-325(e)(1)l., the superintendent shall give written notice to the career teacher by certified mail or personal delivery of his intention to make such recommendation and shall set forth as part of his recommendation the grounds upon which he believes such dismissal is justified. The notice shall include a statement to the effect that if the teacher within 15 days after receipt of the notice requests a review, he shall be entitled to have the proposed recommendations of the superintendent reviewed by the board. Within the 15-day period after receipt of the notice, the career teacher may file with the superintendent a written request for a hearing before the board within 10 days. If the teacher requests a hearing before the board, the hearing procedures provided in G.S. 115C-325(j) shall be followed. If no request is made within the 15-day period, the superintendent may file his recommendation with the board. If, after considering the recommendation of the superintendent and the evidence adduced at the hearing if there is one, the board concludes that the grounds for the recommendation are true and substantiated by a preponderance of the evidence, the board, if it sees fit, may by resolution order such dismissal. Provisions of this section which permit appointment of, and investigation and review

by, a panel of the Professional Review Committee shall not apply to a dismissal or demotion recommended pursuant to G.S. 115C-325(e)(1)l.

When a career teacher is dismissed pursuant to G.S. 115C-325(e)(1)l. above, his name shall be placed on a list of available teachers to be maintained by the board. Career teachers whose names are placed on such a list shall have a priority on all positions for which they are qualified which become available in that system for the three consecutive years succeeding their dismissal. However, if the local school administrative unit offers the dismissed teacher a position for which he is certified and he refuses it, his name shall be removed from the priority list.

(3) In determining whether the professional performance of a career teacher is adequate, consideration shall be given to regular and special evaluation reports prepared in accordance with the published policy of the employing local school administrative unit and to any published standards of performance which shall have been adopted by the board. Failure to notify a career teacher of an inadequacy in his performance shall be conclusive evidence of satisfactory performance.

(4) Dismissal under subdivision (1) above, except paragraph g thereof, shall not be based on conduct or actions which occurred more than three years before the written notice of the superintendent's intention to recommend dismissal is mailed to the teacher. The three-year limitation shall not apply to dismissals or demotions pursuant to subdivision (1)b. above when the charge of immorality is based upon a teacher's sexual misconduct toward or sexual harassment of students or staff.

(f) Suspension without Pay. -- If a superintendent believes that cause exists for dismissing a probationary or career teacher for any reason specified in G.S. 115C-325(e)(1)a. through 115C-325(e)(1)j. and that immediate suspension of the teacher is necessary, the superintendent may suspend him without pay. Before suspending a teacher without pay, the superintendent shall meet with the teacher and give him written notice of the charges against him, an explanation of the bases for the charges, and an opportunity to respond. Within five days after a suspension under this paragraph, the superintendent shall initiate a dismissal as provided in this section. If it is finally determined that no grounds for dismissal exist, the teacher shall be reinstated immediately and shall be paid for the period of suspension.

A teacher recommended for suspension without pay pursuant to G.S. 115C-325(a)(4) may request a hearing before the board. If the teacher requests a hearing before the board, the procedures provided in G.S. 115C-325(j) shall be followed. If no request is made within 15 days, the superintendent may file his recommendation with the board. If, after considering the recommendation of the superintendent and the evidence adduced at the hearing if one is held, the board concludes that the grounds for the recommendation are true and substantiated by a preponderance of the evidence, the board, if it sees fit, may by resolution order such suspension. Provisions of this section which permit appointment of, and investigation and review by, a panel of the Professional Review Committee shall not apply to a suspension without pay pursuant to G.S. 115C-325(a)(4).

(f1) Suspension with Pay. -- If a superintendent believes that cause may exist for dismissing or demoting a probationary or career teacher for any reasons specified in G.S. 115C-325(e)(1)b through 115C-325(e)(1)j, but that additional investigation of the facts is necessary and circumstances are such that the teacher should be removed immediately from his duties, the superintendent may suspend the teacher with pay for a reasonable period of time, not to exceed 90 days. The superintendent shall immediately notify the board of education of his action. If the superintendent has not initiated dismissal or demotion proceedings against the teacher within the 90-day period, the teacher shall be reinstated to his duties immediately and all records of the suspension with pay shall be removed from the teacher's personnel file at his request.

(g) Professional Review Committee; Qualifications; Terms; Vacancy; Training.

(1) There is hereby created a Professional Review Committee which shall consist of 121 citizens, 11 from each of the State's congressional districts, five of whom shall be lay persons and six of whom shall have been actively and continuously engaged in teaching or in supervision or administration of schools in this State for the five years preceding their appointment and who are broadly representative of the profession, to be appointed by the Superintendent of Public Instruction with the advice and consent of the State Board of Education. Each member shall be appointed for a term of three years. The Superintendent of Public Instruction, with the advice and consent of the State Board of Education, shall fill any vacancy which may occur in the Committee. The person appointed to fill the vacancy shall serve for the unexpired portion of the term of

the member of the Committee whom he is appointed to replace.

(2) The Superintendent of Public Instruction shall provide for the Committee such training as he considers necessary or desirable for the purpose of enabling the members of the Committee to perform the functions required of them.

(3) The compensation of committee members while serving as a member of a hearing panel shall be as for State boards and commissions pursuant to G.S. 138-5. The compensation shall be paid by the State Board of Education.

(h) Procedure for Dismissal or Demotion of Career Teacher.

(1) A career teacher may not be dismissed, demoted, or reduced to part-time employment except upon the superintendent's recommendation.

(2) Before recommending to a board the dismissal or demotion of the career teacher, the superintendent shall give written notice to the career teacher by certified mail or personal delivery of his intention to make such recommendation and shall set forth as part of his recommendation the grounds upon which he believes such dismissal is justified. The notice shall include a statement to the effect that if the teacher within 15 days after the date of receipt of the notice requests a review, he shall be entitled to have the proposed recommendations of the superintendent reviewed by a panel of the Committee. A copy of G.S. 115C-325 and a current list of the members of the Professional Review Committee shall also be sent to the career teacher. If the teacher does not request a panel hearing within the 15 days provided, the superintendent may submit his recommendation to the board.

(3) Within the 15-day period after receipt of the notice, the career teacher may file with the superintendent a written request for either (i) a review of the superintendent's proposed recommendation by a panel of the Professional Review Committee or (ii) a hearing before the board within 10 days. If the teacher requests an immediate hearing before the board, he forfeits his right to a hearing by a panel of the Professional Review Committee. A hearing conducted by the board pursuant to this subdivision shall be conducted pursuant to G.S. 115C-325(j) and (l). If no request is made within that period, the superintendent may file his recommendation with the board. The board, if it sees fit, may by resolution dismiss such teacher. If a request for review is made, the superintendent shall not file his

recommendation for dismissal with the board until a report of a panel of the Committee is filed with the superintendent.

(4) If a request for review is made, the superintendent, within five days of filing such request for review, shall notify the Superintendent of Public Instruction who, within seven days from the time of receipt of such notice, shall designate a panel of five members of the Committee, at least two of whom shall be lay persons, who shall not be employed in or be residents of the county in which the request for review is made, to review the proposed recommendations of the superintendent for the purpose of determining whether in its opinion the grounds for the recommendation are true and substantiated. The teacher or principal making the request for review shall have the right to require that at least two members of the panel shall be members of his professional peer group.

(i) ~~Investigation~~ Hearing by Panel of Professional Review Committee; Report; Action of Superintendent; Review by Board.

(1) The career teacher and superintendent will each have the right to designate not more than 30 of the 121 members of the Professional Review Committee as not acceptable to the teacher or superintendent respectively. No person so designated shall be appointed to the panel. The career teacher shall specify to the superintendent those Committee members who are not acceptable in his request for a review of the superintendent's proposed recommendations provided for in subdivision (h)(3) above. The superintendent's notice to the Superintendent of Public Instruction provided for in subdivision (h)(4) above shall contain a list of those members of the Committee not acceptable to the superintendent and the teacher respectively. Failure to designate nonacceptable members in accordance with this subsection shall constitute a waiver of that right.

(2) As soon as possible after the time of its designation, the panel shall elect a chairman and shall conduct ~~such investigation as it may consider necessary~~ a hearing in accordance with G.S. 115C-325(j) for the purpose of determining whether the grounds for the recommendation are true and substantiated. The panel shall be furnished assistance reasonably required to conduct its ~~investigation~~ hearing and shall be empowered to subpoena and swear witnesses and to require them to give testimony and to produce books and papers relevant to its investigation. ~~If the~~

~~panel holds a hearing, the provisions of G.S. 115C-325(j) shall apply.~~

(3) The career teacher and superintendent involved shall each have the right to meet with the panel accompanied by counsel or other person of his choice and to present any evidence and arguments which he considers pertinent to the considerations of the panel and to cross-examine witnesses.

(4) When the panel has completed its ~~investigation,~~ hearing, it shall prepare a written report and send it to the superintendent and teacher. The report shall contain ~~an outline of the scope of its investigation,~~ its findings as to whether or not the grounds for the recommendation are true and substantiated by a preponderance of the evidence, and a statement of the reasons for its findings. The panel shall complete its ~~investigation~~ hearing and prepare the report within 20 days from the time of its designation, except in cases in which the panel finds that justice requires that a greater time be spent in connection with the investigation and the preparation of such report, and reports that finding to the superintendent and the teacher: Provided, that such extension does not exceed 10 days.

(5) Within five days after the superintendent receives the report of the panel, the superintendent shall decide whether or not to submit a written recommendation for dismissal to the board or to drop the charges against the teacher and shall notify the teacher, in writing, of the decision. Within five days after receiving the superintendent's notice of his intent to recommend the teacher's dismissal to the board, the teacher shall decide whether to request a hearing before the board and shall notify the superintendent, in writing, of the decision. If the teacher requests a hearing before the board, the superintendent shall submit his written recommendation to the board with a copy to the teacher within five days after receiving the teacher's request. The superintendent's recommendation shall state the grounds for the recommendation and shall be accompanied by a copy of the report of the panel of the Committee.

(6) Within seven days after receiving the superintendent's recommendation and before taking any formal action, the board shall set a time and place for the hearing and notify the teacher by certified mail of the date, time and place of the hearing. The time specified shall not be less than seven nor more than 20 days after the board has notified the teacher. If the teacher did not request a hearing, the board

may, by resolution, dismiss the teacher. If the teacher can show that his request for a hearing was postmarked within the time provided, his right to a hearing is not forfeited.

(j) Hearing Procedure. -- The following provisions shall be applicable to any hearing conducted pursuant to G.S. 115C-325(k) or (l) or to any hearing conducted by a board pursuant to G.S. 115C-325(h)(3).

(1) The hearing shall be private.

(2) The hearing shall be conducted in accordance with such reasonable rules and regulations as the board may adopt consistent with G.S. 115C-325, or if no rules have been adopted, in accordance with reasonable rules and regulations adopted by the State Board of Education to govern such hearings.

(3) At the hearing the teacher and the superintendent shall have the right to be present and to be heard, to be represented by counsel and to present through witnesses any competent testimony relevant to the issue of whether grounds for dismissal or demotion exist or whether the procedures set forth in G.S. 115C-325 have been followed.

(4) Rules of evidence shall not apply to a hearing conducted pursuant to this act and boards and panels of the Professional Review Committee may give probative effect to evidence that is of a kind commonly relied on by reasonably prudent persons in the conduct of serious affairs.

(5) At least five days before the hearing, the superintendent shall provide to the teacher a list of witnesses the superintendent intends to present, a brief statement of the nature of the testimony of each witness and a copy of any documentary evidence he intends to present. At least three days before the hearing, the teacher shall provide to the superintendent a list of witnesses the teacher intends to present, a brief statement of the nature of the testimony of each witness and a copy of any documentary evidence he intends to present. Additional witnesses or documentary evidence may not be presented except upon consent of both parties or upon a majority vote of the board or panel.

(k) Panel Finds Grounds for Superintendent's Recommendation True and Substantiated.

(1) If the panel found that the grounds for the recommendation of the superintendent are true and substantiated, at the hearing the board shall consider the recommendation of the superintendent, the report of the panel, including any minority report, and any evidence which the teacher or the

superintendent may wish to present with respect to the question of whether the grounds for the recommendation are true and substantiated. The hearing may be conducted in an informal manner.

(2) If, after considering the recommendation of the superintendent, the report of the panel and the evidence adduced at the hearing, the board concludes that the grounds for the recommendation are true and substantiated, by a preponderance of the evidence, the board, if it sees fit, may by resolution order such dismissal.

(l) Panel Does Not Find That the Grounds for Superintendent's Recommendation Are True and Substantiated.

(1) If the panel does not find that the grounds for the recommendation of the superintendent are true and substantiated, at the hearing the board shall determine whether the grounds for the recommendation of the superintendent are true and substantiated upon the basis of competent evidence adduced at the hearing by witnesses who shall testify under oath or affirmation to be administered by any board member or the secretary of the board.

(2) The procedure at the hearing shall be such as to permit and secure a full, fair and orderly hearing and to permit all relevant competent evidence to be received therein. The report of the panel of the committee shall be deemed to be competent evidence. A full record shall be kept of all evidence taken or offered at such hearing. Both counsel for the local school administrative unit and the career teacher or his counsel shall have the right to cross-examine witnesses.

(3) At the request of either the superintendent or the teacher, the board shall issue subpoenas requiring the production of papers or records or the attendance of persons residing within the State before the board. Subpoenas for witnesses to testify at the hearing in support of the recommendation of the superintendent or on behalf of the career teacher shall, as requested, be issued in blank by the board over the signature of its chairman or secretary. The board shall pay witness fees for up to five witnesses subpoenaed on behalf of the teacher, except that it shall not pay for any witness who resides within the county in which the dismissal originates or who is an employee of the board. However, no employee of the board shall suffer any loss of compensation because he has been subpoenaed to testify at the hearing. These payments shall be as provided for witnesses in G.S. 7A-314.

(4) At the conclusion of the hearing provided in this section, the board shall render its decision on the evidence submitted at such hearing and not otherwise. The board's decision shall be based on a preponderance of the evidence.

(5) Within five days following the hearing, the board shall send a written copy of its findings and order to the teacher and superintendent. The board shall provide for making a transcript of its hearing. If the teacher contemplates an appeal to a court of law, he may request and shall receive at no charge a transcript of the proceedings.

(m) Probationary Teacher.

(1) The board of any local school administrative unit may not discharge a probationary teacher during the school year except for the reasons for and by the procedures by which a career teacher may be dismissed as set forth in subsections (e) and (h) to (l) above.

(2) The board, upon recommendation of the superintendent, may refuse to renew the contract of any probationary teacher or to reemploy any teacher who is not under contract for any cause it deems sufficient: Provided, however, that the cause may not be arbitrary, capricious, discriminatory or for personal or political reasons.

(n) Appeal. -- Any teacher who has been dismissed or demoted pursuant to G.S. 115C-325(e)(2), or pursuant to subsections (h), (k) or (l) of this section, or who has been suspended without pay pursuant to G.S. 115C-325(a)(4), shall have the right to appeal from the decision of the board to the superior court for the superior court district or set of districts as defined in G.S. 7A-41.1 in which the teacher is employed. This appeal shall be filed within a period of 30 days after notification of the decision of the board. The cost of preparing the transcript shall be borne by the board. A teacher who has been demoted or dismissed and who has not requested a hearing before the board of education pursuant to this section shall not be entitled to judicial review of the board's action.

(o) Resignation; Nonrenewal of Contract. -- A teacher, career or probationary, should not resign without the consent of the superintendent unless he has given at least 30 days' notice. If the teacher does resign without giving at least 30 days' notice, the board may request that the State Board of Education revoke the teacher's certificate for the remainder of that school year. A copy of the request shall be placed in the teacher's personnel file.

A probationary teacher whose contract will not be renewed for the next school year shall be notified of this fact by June 1.

(p) Section Applicable to Certain Institutions. -- Notwithstanding any law or regulation to the contrary, this section shall apply to all persons employed in teaching and related educational classes in the schools and institutions of the Departments of Human Resources and Correction regardless of the age of the students."

Sec. 2. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 725 **CHAPTER 943**

AN ACT TO CHANGE THE ELIGIBILITY REQUIREMENTS FOR GRANTS UNDER THE VOLUNTEER RESCUE/EMS FUND, TO MAKE ONE-TIME GRANTS FROM THIS FUND TO ALL VOLUNTEER RESCUE/EMS UNITS, TO ADJUST THE AMOUNT OF REVENUE IN THIS FUND AND IN THE RESCUE SQUAD WORKERS' RELIEF FUND, AND TO INCREASE THE PERCENTAGE OF THE RELIEF FUND THAT CAN BE USED FOR ADMINISTRATIVE EXPENSES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-183.7(c) reads as rewritten:

"(c) Fees collected for inspection certificates are payable to the Division of Motor Vehicles. The amount of each fee listed in the table below shall be credited to the Highway Fund, the Volunteer Rescue/EMS Fund established in G.S. 58-87-5, the Rescue Squad Workers' Relief Fund established in G.S. 58-88-5, and the Division of Environmental Management of the Department of Environment, Health, and Natural Resources:

~~Fund or Agency~~ / Fund or Agency	~~Fee Imposed Under (a)~~ / Fee Imposed Under (a)	~~Fee Imposed Under (a1)~~ / Fee Imposed Under (a1)
Highway Fund	.75	1.80
Volunteer Rescue/EMS Fund	~~.18~~ .15	~~.18~~ .15
Rescue Squad Workers' Relief Fund	~~.07~~ .10	~~.07~~ .10
Division of Environmental Management	.00	.35."

Sec. 2. G.S. 58-87-5(a) reads as rewritten:

"(a) There is created in the Department of Insurance the Volunteer Rescue/EMS Fund to provide ~~matching~~ grants to volunteer rescue units providing rescue or rescue and emergency medical services to

purchase equipment and make capital improvements. An eligible rescue or rescue/EMS unit may apply to the Department of Insurance for a grant under this section. The application form and criteria for grants shall be established by the Department. The Office of Emergency Medical Services in the Department of Human Resources shall provide the Department with an advisory priority listing of EMS equipment eligible for funding. The State Treasurer shall invest the Fund's assets according to law, and the earnings shall remain in the Fund. ~~Beginning December 15, 1989, and on each~~ On December ~~15 thereafter,~~ 15 of each year, the Department shall make grants to eligible rescue or rescue/EMS units subject to all of the following limitations:

(1) ~~The size of a~~ A grant to an applicant who is required to match the grant with non-State funds may not exceed fifteen thousand dollars ~~($15,000);~~ ($15,000), and a grant to an applicant who is not required to match the grant with non-State funds may not exceed three thousand dollars ($3,000).

(2) ~~The~~ An applicant whose liquid assets, when combined with the liquid assets of any corporate affiliate or subsidiary of the applicant, are more than one thousand dollars ($1,000) shall match the grant on a dollar-for-dollar basis with non-State ~~funds;~~ funds.

(3) The grant may be used only for equipment purchases or capital ~~expenditures; and~~ expenditures.

(4) An applicant may receive no more than one grant per fiscal year.

In awarding grants under this section, the Department shall to the extent possible select applicants from all parts of the State based upon need. Up to two percent (2%) of the Fund may be used for additional staff and resources to administer the Fund in each fiscal year. In addition, notwithstanding G.S. 58-78-20, up to four percent (4%) of the Fund may be used for additional staff and resources for the North Carolina Fire and Rescue Commission."

Sec. 3. G.S. 58-88-30 reads as rewritten:

"*§ 58-88-30. Administration costs.*

The Association shall withhold ~~eight percent (8%)~~ ten percent (10%) from the money received pursuant to G.S. 20-183.7(c) for the administration of the Fund. The Commissioner of Insurance shall withhold two percent (2%) from the money received pursuant to G.S. 20-183.7(c) for the administration of the Fund."

Sec. 4. There is appropriated from the Volunteer Rescue/EMS Fund to the Rescue Squad Workers' Relief Fund the sum of five hundred thousand dollars ($500,000) for the 1992-93 fiscal year to be used for the purposes specified in G.S. 58-88-5(c).

Sec. 5. In the 1992-93 fiscal year, the Department of Insurance shall make a grant from the Volunteer Rescue/EMS Fund of three thousand dollars ($3,000) to each volunteer rescue unit that is eligible to apply for a grant from the Fund under G.S. 58-87-5. A grant under this section is in addition to any grant from the Fund received pursuant to an application submitted under G.S. 58-87-5. A volunteer rescue unit is not required to match a grant received under this section. A grant received under this section is subject to the same restrictions on use as a grant made under G.S. 58-87-5.

Sec. 6. Section 2 of this act becomes effective July 1, 1993. The remaining sections of this act are effective upon ratification. Section 1 applies to fees collected on or after the effective date.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 1545 **CHAPTER 944**

AN ACT TO CONSOLIDATE THE REGULATION OF WASTEWATER COLLECTION, TREATMENT, AND DISPOSAL SYSTEMS DESIGNED TO DISCHARGE BELOW THE GROUND SURFACE.

The General Assembly of North Carolina enacts:

Section 1. The title of Article 11 of Chapter 130A of the General Statutes reads as rewritten:

"ARTICLE 11.

~~Sanitary Sewage Systems.~~

Wastewater Systems."

Sec. 2. G.S. 130A-333 reads as rewritten:

"*§ 130A-333. Purpose.*

The General Assembly finds and declares that continued installation, at a rapidly and constantly accelerating rate, of septic tank systems and other types of ~~sanitary sewage~~ wastewater systems in a faulty or improper manner and in areas where unsuitable soil and population density adversely affect the efficiency and functioning of these systems, has a detrimental effect on the public health and environment through contamination of land, groundwater and surface waters. Recognizing, however, that ~~sewage~~ wastewater can be rendered ecologically safe and the public health protected if methods of ~~sewage~~ wastewater collection, treatment and disposal are properly regulated and recognizing that ~~sanitary sewage~~ wastewater collection, treatment and disposal will continue to be necessary to meet the needs of an expanding population, the General Assembly intends to ensure the regulation of ~~sewage~~ wastewater collection, treatment and disposal

systems so that these systems may continue to be used, where appropriate, without jeopardizing the public health."

Sec. 3. G.S. 130A-334 reads as rewritten:

"§ *130A-334. Definitions.*

The following definitions shall apply throughout this Article:

(1) 'Construction' means any work at the site of placement done for the purpose of preparing a residence, place of business or place of public assembly for initial occupancy, or subsequent additions or modifications which increase sewage flow.

(2) Repealed by Session Laws 1985, c. 462, s. 18.

(2a) 'Industrial process wastewater' means any water-carried waste resulting from any process of industry, manufacture, trade, or business.

(3) 'Location' means the initial placement for occupancy of a residence, place of business or place of public assembly.

(3a) 'Maintenance' means normal or routine maintenance including replacement of broken pipes, cleaning, or adjustment to an existing ~~sanitary sewage~~ wastewater system.

(4),(5) Repealed by Session Laws 1985, c. 462, s. 18.

(6) 'Place of business' means a store, warehouse, manufacturing establishment, place of amusement or recreation, service station, office building or any other place where people work.

(7) 'Place of public assembly' means a fairground, auditorium, stadium, church, campground, theater or any other place where people assemble.

(8) 'Public or community ~~sewage~~ wastewater system' means a single system of ~~sewage~~ wastewater collection, treatment and disposal owned and operated by a sanitary district, a metropolitan sewage district, a water and sewer authority, a county or municipality or a public utility.

(9) 'Relocation' means the displacement of a residence or place of business from one site to another.

(9a) 'Repair' means the extension, alteration, replacement, or relocation of existing components of a ~~sanitary sewage~~ wastewater system.

(10) 'Residence' means a private home, dwelling unit in a multiple family structure, hotel, motel, summer camp, labor work camp, manufactured home, institution or any other place where people reside.

(11) ~~'Sanitary sewage system' means a complete system of sewage collection, treatment and disposal including~~

~~approved privies, septic tank systems, connection to public or community sewage systems, sewage reuse or recycle systems, mechanical or biological treatment systems, or other such systems.~~

~~Properly managed chemical toilets used only for human waste at mass gatherings, construction sites and labor work camps are considered sanitary sewage systems.~~

(12) 'Septic tank system' means a subsurface ~~sanitary sewage~~ wastewater system consisting of a settling tank and a subsurface disposal field.

(13) 'Sewage' means the liquid and solid human body waste and liquid waste generated by water-using fixtures and appliances, including those associated with foodhandling. The term does not include industrial process wastewater or sewage that is combined with industrial process wastewater.

(14) 'Wastewater' means any sewage or industrial process wastewater discharged, transmitted, or collected from a residence, place of business, place of public assembly, or other places into a wastewater system.

(15) 'Wastewater system' means a system of wastewater collection, treatment, and disposal including approved privies, septic tank systems, connection to public or community wastewater systems, wastewater reuse or recycle systems, mechanical or biological treatment systems, other such systems, or chemical toilets used only for human waste."

Sec. 4. G.S. 130A-335 reads as rewritten:

"§ *130A-335.* ~~*Sanitary sewage*~~ *Wastewater collection, treatment and disposal; rules.*

(a) A person owning or controlling a residence, place of business or a place of public assembly shall provide a ~~sanitary sewage~~ wastewater system. A ~~sanitary sewage~~ wastewater system may include components for collection, treatment and disposal of ~~sewage~~ wastewater.

(b) ~~Any public or community sanitary sewage system and any sanitary sewage system which is designed to discharge effluent to the land surface or surface waters shall be approved by the Department under rules adopted by the Environmental Management Commission.~~ All ~~other sanitary sewage~~ wastewater systems shall be ~~approved~~ regulated by the Department under rules adopted by the Commission ~~for Health Services.~~ except for the following wastewater systems that shall be regulated by the Department under rules adopted by the Environmental Management Commission:

(1) Wastewater systems designed to discharge effluent to the land surface or surface waters.

(2) Wastewater systems designed for groundwater remediation, groundwater injection, or landfill leachate collection and disposal.

(3) Wastewater systems designed for the complete recycle or reuse of industrial process wastewater.

(c) A ~~sanitary sewage~~ wastewater system subject to approval under rules of the Commission shall be reviewed and approved under rules of a local board of health in the following circumstances:

(1) The local board of health, on its own motion, has requested the Department to review its proposed rules concerning ~~sanitary sewage~~ wastewater systems; and

(2) The local board of health has adopted by reference the ~~sanitary sewage~~ wastewater system rules adopted by the Commission, with any more stringent modifications or additions deemed necessary by the local board of health to protect the public health; and

(3) The Department has found that the rules of the local board of health concerning ~~sanitary sewage~~ wastewater collection, treatment and disposal systems are at least as stringent as ~~the Commission's rules,~~ rules adopted by the Commission and are sufficient and necessary to safeguard the public health.

(d) The Department may, upon its own motion, upon the request of a local board of health or upon the request of a citizen of an affected county, review its findings under subsection (c) of this section.

The Department shall review its findings under subsection (c) of this section upon modification by the Commission of the ~~Commission's sanitary sewage system rules,~~ rules applicable to wastewater systems. The Department may deny, suspend, or revoke the approval of local board of health ~~sanitary sewage~~ wastewater system rules upon a finding that the local ~~sewage~~ wastewater rules are not as stringent as ~~the Commission's rules,~~ rules adopted by the Commission, are not sufficient and necessary to safeguard the public health, or are not being enforced. Suspension and revocation of approval shall be in accordance with G.S. 130A-23.

(e) The rules of the Commission and the rules of the local board of health shall address at least the following: ~~Sewage~~ Wastewater characteristics; Design unit; Design capacity; Design volume; Criteria for the design, installation, operation, maintenance and performance of ~~sanitary sewage~~ wastewater collection, treatment and disposal systems; Soil morphology and drainage; Topography and landscape position; Depth to seasonally high water table, rock and water

impeding formations: Proximity to water supply wells, shellfish waters, estuaries, marshes, wetlands, areas subject to frequent flooding, streams, lakes, swamps and other bodies of surface or groundwaters; Density of ~~sanitary sewage~~ wastewater collection, treatment and disposal systems in a geographical area; Requirements for issuance, suspension and revocation of permits; and Other factors which affect the effective operation and performance of ~~sanitary sewage~~ wastewater collection, treatment and disposal systems. The rules regarding required design capacity and required design volume for ~~sanitary sewage~~ wastewater systems shall provide that exceptions may be granted upon a showing that a system is adequate to meet actual daily water consumption.

(f) The rules of the Commission and the rules of the local board of health shall classify ~~sanitary~~ systems of ~~sewage~~ wastewater collection, treatment and disposal according to size, type of treatment and any other appropriate factors. The rules shall provide construction requirements, standards for operation and ownership requirements for each classification of ~~sanitary~~ systems of ~~sewage~~ wastewater collection, treatment and disposal in order to prevent, as far as reasonably possible, any contamination of the land, groundwater and surface waters. The Department and local health departments may impose conditions on the issuance of permits and may revoke the permits for failure of the system to satisfy the conditions, the rules or this Article. The permits shall be valid for a period prescribed by the rules, except that improvement permits shall be valid for a period of five years, and may be renewed upon a showing satisfactory to the Department or the local health department that the system is in compliance with the current rules and this Article. The period of time for which the permit is valid and a statement that the permit is subject to revocation if site plans or the intended use change shall be displayed prominently on both the application form for the permit and the permit.

(g) Prior to denial of an improvement permit, the local health department shall advise the applicant of possible site modifications or alternative systems, and shall provide a brief description of those systems. When an improvement permit is denied, the local health department shall issue the site evaluation in writing stating the reasons for the unsuitable classification. The evaluation shall also inform the applicant of the right to an informal review by the Department, the right to appeal under G.S. 130A-24, and to have the appeal held in the county in which the site for which the improvement permit was requested is located.

(h) It shall be unlawful to discharge sewage or other waste from chemical or portable toilets used for human waste ~~at places of public assembly, construction sites, or labor camps~~ except into a ~~sanitary~~

~~sewage~~ wastewater system which has been approved by the Department."

Sec. 5. G.S. 130A-336 reads as rewritten:

"*§ 130A-336. Improvement permit required.*

(a) No person shall commence or assist in the construction, location, or relocation of a residence, place of business, or place of public assembly in an area not served by an approved ~~sanitary sewage~~ wastewater system unless an improvement permit is obtained from the local health department. This requirement shall not apply to a residence exhibited for sale or stored for later sale and intended to be located at another site after sale.

(b) The local health department shall issue an improvement permit authorizing work to proceed and the installation or repair of a ~~sanitary sewage~~ wastewater system when it has determined after a field investigation that the system can be installed and operated in compliance with this Article and rules adopted pursuant to this Article. No person shall commence or assist in the installation, construction, or repair of a ~~sanitary sewage system, other than a connection to an approved public or community sewage system or maintenance of a sanitary sewage system,~~ wastewater system unless an improvement permit has been obtained from the Department or the local health department. No improvement permit shall be required for maintenance of a wastewater system. The Department and the local health department may impose conditions on the issuance of an improvement permit.

(c) Unless the Commission otherwise provides by rule, plans, and specifications for all wastewater systems designed for the collection, treatment, and disposal of industrial process wastewater shall be reviewed and approved by the Department prior to the issuance of an improvement permit by the local health department."

Sec. 6. G.S. 130A-337 reads as rewritten:

"*§ 130A-337. Inspection; operation permit or certificate of completion required.*

(a) No ~~sanitary~~ system of ~~sewage~~ wastewater collection, treatment and disposal shall be covered or placed into use by any person until an inspection by the local health department has determined that the system has been installed or repaired in accordance with any conditions of the improvement permit, the rules and this Article.

(b) Upon determining that the system is properly installed or repaired and that the system is capable of being operated in accordance with the conditions of the improvement permit, the rules, this Article and any conditions to be imposed in the operation permit, the local health department shall issue an operation permit authorizing the residence, place of business or place of public assembly to be

occupied and for the system to be placed into use. However, if the system is limited to a single septic tank system without a pump or other appurtenances serving a single one-family dwelling, then a certificate of completion shall be issued instead of an operation permit; also, if the system is limited to a single septic tank system without a pump or other appurtenances serving a single residence other than a one-family dwelling, or serving a place of business or a place of public assembly and having a design daily flow of not more than 480 gallons, then a certificate of completion shall be issued instead of an operation permit. A certificate of completion shall be issued when the septic tank system is properly installed or repaired and is capable of being operated in accordance with the conditions of the improvement permit, the rules and this Article.

(c) Upon determination that an existing ~~sanitary sewage~~ wastewater system has a valid operation permit or a valid certificate of completion and is operating properly in a manufactured home park, the local health department shall issue authorization in writing for a manufactured home to be connected to the existing system and to be occupied. Notwithstanding G.S. 130A-336, an improvement permit is not required for the connection of a manufactured home to an existing system with a valid operation permit or a valid certificate of completion in a manufactured home park.

(d) No person shall occupy a residence, place of business or place of public assembly, or place a ~~sanitary sewage~~ wastewater system into use or reuse for a residence, place of business or place of public assembly until an operation permit or a certificate of completion has been issued or authorization has been obtained pursuant to G.S. 130A-337(c)."

Sec. 7. G.S. 130A-341 reads as rewritten:

"§ *130A-341. Consideration of a site with existing fill.*

Upon application to the local health department, a site that has existing fill, including one on which fill material was placed prior to July 1, 1977, and that has sand or loamy sand for a depth of at least 36 inches below the existing ground surface, shall be evaluated for an on-site ~~sewage~~ wastewater system. The Commission ~~for Health Services~~ shall adopt rules to implement this section."

Sec. 8. G.S. 130A-342 reads as rewritten:

"§ *130A-342. Aerobic systems.*

(a) Individual aerobic sewage treatment plants that are approved and listed in accordance with the standards adopted by the ~~the~~ National Sanitation Foundation, Inc. for Class I sewage treatment plants as set out in Standard 40, as amended, shall be permitted under rules promulgated by the ~~Commission for Health Services.~~ Commission.

The Commission ~~for Health Services~~ may establish standards in addition to those set by the National Sanitation Foundation, Inc.

(b) A permitted plant shall be operated and maintained by a certified wastewater treatment facility operator employed by or under contract to the county in which the plant is located.

(c) The performance of individual aerobic treatment plants is to be documented by the counties and sent to the Department of Environment, Health, and Natural Resources."

Sec. 9. G.S. 130A-343 reads as rewritten:

"*§ 130A-343. Experimental and innovative systems permitted.*

(a) The Commission ~~for Health Services~~ shall adopt rules for the approval and permitting of experimental and innovative ~~sanitary sewage~~ wastewater systems. The rules shall address the criteria to be considered prior to issuing a permit for such a system, requirements for preliminary design plans and specifications that must be submitted, methodology to be used, standards for monitoring and evaluating the system, research evaluation of the system, the plan of work for monitoring system performance and maintenance, and any additional matters the Commission ~~for Health Services~~ deems appropriate.

(b) The Commission ~~for Health Services~~ shall adopt rules governing the operation and maintenance of experimental and innovative ~~sanitary sewage~~ wastewater systems approved and permitted under subsection (a) of this section."

Sec. 10. G.S. 130A-39 reads as rewritten:

"*§ 130A-39. Powers and duties of a local board of health.*

(a) A local board of health shall have the responsibility to protect and promote the public health. The board shall have the authority to adopt rules necessary for that purpose.

(b) A local board of health may adopt a more stringent rule in an area regulated by the Commission for Health Services or the Environmental Management Commission where, in the opinion of the local board of health, a more stringent rule is required to protect the public health; otherwise, the rules of the Commission for Health Services or the rules of the Environmental Management Commission shall prevail over local board of health rules. However, a local board of health may not adopt a rule concerning the grading and permitting of food and lodging facilities as listed in Part 6 of Article 8 of this Chapter and a local board of health may adopt rules concerning ~~sanitary sewage~~ wastewater collection, treatment and disposal systems which are not designed to discharge effluent to the land surface or surface waters ~~and which are not public or community systems~~ only in accordance with G.S. 130A-335(c).

(c) The rules of a local board of health shall apply to all municipalities within the local board's jurisdiction.

(d) Not less than 10 days before the adoption, amendment or repeal of any local board of health rule, the proposed rule shall be made available at the office of each county clerk within the board's jurisdiction, and a notice shall be published in a newspaper having general circulation within the area of the board's jurisdiction. The notice shall contain a statement of the substance of the proposed rule or a description of the subjects and issues involved, the proposed effective date of the rule and a statement that copies of the proposed rule are available at the local health department. A local board of health rule shall become effective upon adoption unless a later effective date is specified in the rule.

(e) Copies of all rules shall be filed with the secretary of the local board of health.

(f) A local board of health may, in its rules, adopt by reference any code, standard, rule or regulation which has been adopted by any agency of this State, another state, any agency of the United States or by a generally recognized association. Copies of any material adopted by reference shall be filed with the rules.

(g) A local board of health may impose a fee for services to be rendered by a local health department, except where the imposition of a fee is prohibited by statute or where an employee of the local health department is performing the services as an agent of the State. Notwithstanding any other provisions of law, a local board of health may impose cost-related fees for services performed pursuant to Article 11 of this Chapter, ~~'Sanitary Sewage Systems,'~~ 'Wastewater Systems,' and services performed pursuant to Part 10, Article 8 of this Chapter, 'Public Swimming Pools.' Fees shall be based upon a plan recommended by the local health director and approved by the local board of health and the appropriate county board or boards of commissioners. The fees collected under the authority of this subsection are to be deposited to the account of the local health department so that they may be expended for public health purposes in accordance with the provisions of the Local Government Budget and Fiscal Control Act."

Sec. 11. G.S. 130A-22 reads as rewritten:

"*§ 130A-22. Administrative penalties.*

(a) The Secretary may impose an administrative penalty on a person who violates Article 9 of this Chapter, rules adopted by the Commission pursuant to Article 9, or any order issued under Article 9. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed five thousand dollars ($5,000) per day in the case of a violation involving nonhazardous waste. The penalty shall not exceed twenty-five thousand dollars ($25,000) per day in case of a first violation involving hazardous waste as defined in

G.S. 130A-290 or involving the disposal of medical waste as defined in G.S. 130A-290 in or upon water in a manner that results in medical waste entering waters or lands of the State; and shall not exceed fifty thousand dollars ($50,000) per day for a second or further violation involving the disposal of medical waste as defined in G.S. 130A-290 in or upon water in a manner that results in medical waste entering waters or lands of the State. If a person fails to pay a civil penalty within 60 days after the final agency decision or court order has been served on the violator, the Secretary shall request the Attorney General to institute a civil action in the superior court of any county in which the violator resides or has his or its principal place of business to recover the amount of the assessment. Such civil actions must be filed within three years of the date the final agency decision or court order was served on the violator.

(a1) Part 5 of Article 21A of Chapter 143 of the General Statutes shall apply to the determination of civil liability or penalty pursuant to subsection (a) of this section.

(b) The Secretary may impose an administrative penalty on a person who violates G.S. 130A-325. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed twenty-five thousand dollars ($25,000) for each day the violation continues.

(c) The Secretary may impose an administrative penalty on a person who willfully violates Article 11 of this Chapter, rules adopted by the Commission pursuant to Article 11 or any condition imposed upon a permit issued under Article 11. An administrative penalty may not be imposed upon a person who establishes that neither the site nor the system may be improved or a new system installed so as to comply with Article 11 of this Chapter. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed fifty dollars ($50.00) per day in the case of a ~~sewage~~ wastewater collection, treatment and disposal system with a design daily flow of no more than 480 gallons or in the case of any system serving a single one-family dwelling. The penalty shall not exceed three hundred dollars ($300.00) per day in the case of a ~~sewage~~ wastewater collection, treatment and disposal system with a design daily flow of more than 480 gallons which does not serve a single one-family dwelling.

(c1) The Secretary may impose a monetary penalty on a vendor who violates rules adopted by the Commission pursuant to Article 13 of this Chapter when the Secretary determines that disqualification would result in hardship to participants in the Women, Infants, and Children (WIC) program. The penalty shall be calculated using the following formula: multiply five percent (5%) times the average dollar amount of the vendor's monthly redemptions of WIC food instruments

for the 12-month period immediately preceding disqualification, then multiply that product by the number of months of the disqualification period determined by the Secretary.

(d) In determining the amount of the penalty in subsections (a), (b) and (c), the Secretary shall consider the degree and extent of the harm caused by the violation and the cost of rectifying the damage.

(e) A person contesting a penalty shall, by filing a petition pursuant to G.S. 150B-23(a) not later than 30 days after receipt by the petitioner of the document which constitutes agency action, be entitled to an administrative hearing and judicial review in accordance with Chapter 150B of the General Statutes, the Administrative Procedure Act.

(f) The Commission shall adopt rules concerning the imposition of administrative penalties under this section.

(g) The Secretary may bring a civil action in the superior court of the county where the violation occurred or where the defendant resides to recover the amount of the administrative penalty whenever a person:

(1) Who has not requested an administrative hearing in accordance with subsection (e) of this section fails to pay the penalty within 60 days after being notified of the penalty; or

(2) Who has requested an administrative hearing fails to pay the penalty within 60 days after service of a written copy of the final agency decision.

(h) A local health director may impose an administrative penalty on any person who willfully violates the ~~sewage~~ wastewater collection, treatment, and disposal rules of the local board of health adopted pursuant to G.S. 130A-335(c) or who willfully violates a condition imposed upon a permit issued under the approved local rules. An administrative penalty may not be imposed upon a person who establishes that neither the site nor the system may be improved or a new system installed so as to comply with Article 11 of this Chapter. The local health director shall establish and recover the amount of the administrative penalty in accordance with subsections (d) and (g). Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed fifty dollars ($50.00) per day in the case of a ~~sewage~~ wastewater collection, treatment and disposal system with a design daily flow of no more than 480 gallons or in the case of any system serving a single one-family dwelling. The penalty shall not exceed three hundred dollars ($300.00) per day in the case of a ~~sewage~~ wastewater collection, treatment and disposal system with a design daily flow of more than 480 gallons which does not serve a single one-family dwelling. A person contesting a penalty imposed under this subsection shall be entitled to an administrative hearing and judicial review in accordance with G.S. 130A-24. A local board of

health shall adopt rules concerning the imposition of administrative penalties under this subsection."

Sec. 12. G.S. 143-215.1 is amended by adding a new subsection to read:

"(a1) The Department shall regulate wastewater systems under rules adopted by the Commission for Health Services pursuant to Article 11 of Chapter 130A of the General Statutes except as otherwise provided in this subsection. No permit shall be required under this section for a wastewater system regulated under Article 11 of Chapter 130A of the General Statutes. The following wastewater systems shall be regulated by the Department under rules adopted by the Commission:

(1) Wastewater systems designed to discharge effluent to the land surface or surface waters.

(2) Wastewater systems designed for groundwater remediation, groundwater injection, or landfill leachate collection and disposal.

(3) Wastewater systems designed for the complete recycle or reuse of industrial process wastewater."

Sec. 13. G.S. 153A-274 reads as rewritten:

"§ *153A-274. Public enterprise defined.*

As used in this Article, 'public enterprise' includes:

(1) Water supply and distribution systems,

(2) ~~Sewage collection~~ Wastewater collection, treatment, and disposal systems of all types, including septic tank systems or other on-site collection or disposal facilities or systems,

(3) Solid waste collection and disposal systems and facilities,

(4) Airports,

(5) Off-street parking facilities,

(6) Public transportation systems,

(7) Structural and natural stormwater and drainage systems of all types."

Sec. 14. G.S. 160A-311 reads as rewritten:

"§ *160A-311. Public enterprise defined.*

As used in this Article, the term 'public enterprise' includes:

(1) Electric power generation, transmission, and distribution systems;

(2) Water supply and distribution systems;

(3) ~~Sewage collection~~ Wastewater collection, treatment, and disposal systems of all types, including septic tank systems or other on-site collection or disposal facilities or systems;

(4) Gas production, storage, transmission, and distribution systems, where systems shall also include the purchase and/or lease of natural gas fields and natural gas reserves,

the purchase of natural gas supplies, and the surveying, drilling and any other activities related to the exploration for natural gas, whether within the State or without;

(5) Public transportation systems;

(6) Solid waste collection and disposal systems and facilities;

(7) Cable television systems;

(8) Off-street parking facilities and systems;

(9) Airports;

(10) Structural and natural stormwater and drainage systems of all types."

Sec. 15. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 1596 **CHAPTER 945**

AN ACT TO EXPAND THE APPLICATION OF THE NORTH CAROLINA ENVIRONMENTAL POLICY ACT OF 1971 TO INCLUDE THE USE OF PUBLIC LAND AND TO CLARIFY THE PURPOSE AND REVIEW PROCESS FOR ENVIRONMENTAL DOCUMENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 113A-2 reads as rewritten:

"§ *113A-2. Purposes.*

The purposes of this Article are: to declare a State policy which will encourage the wise, productive, and beneficial use of the natural resources of the State without damage to the environment, maintain a healthy and pleasant environment, and preserve the natural beauty of the State; to encourage an educational program which will create a public awareness of our environment and its related programs; to require agencies of the State to consider and report upon environmental aspects and consequences of their actions involving the expenditure of public ~~moneys;~~ moneys or use of public land; and to provide means to implement these purposes."

Sec. 2. G.S. 113A-4(2) reads as rewritten:

"(2) ~~Any~~ Every State agency shall ~~include in every recommendation or report on proposals for legislation and actions~~ include in every recommendation or report on any action involving expenditure of public moneys or use of public land for projects and programs significantly affecting the quality of the environment of this State, a detailed statement by the responsible official setting forth the following:

a. The environmental impact of the proposed action;
b. Any significant adverse environmental effects which cannot be avoided should the proposal be implemented;
c. Mitigation measures proposed to minimize the impact;
d. Alternatives to the proposed action;
e. The relationship between the short-term uses of the environment involved in the proposed action and the maintenance and enhancement of long-term productivity; and
f. Any irreversible and irretrievable environmental changes which would be involved in the proposed action should it be implemented."

Sec. 3. G.S. 113A-9 reads as rewritten:

"*§ 113A-9. Definitions.*

As used in this Article, unless the context indicates ~~otherwise:~~ otherwise, the term:

(1) 'Environmental assessment' (EA) means a document prepared by a State agency to evaluate whether the probable impacts of a proposed action require the preparation of an environmental impact statement under this Article.

(2) 'Environmental document' means an environmental assessment, an environmental impact statement, or a finding of no significant impact.

(3) 'Environmental impact statement' (EIS) means the detailed statement described in G.S. 113A-4(2).

(4) 'Finding of no significant impact' (FONSI) means a document prepared by a State agency that lists the probable environmental impacts of a proposed action, concludes that a proposed action will not result in a significant adverse effect on the environment, states the specific reason or reasons for such conclusion, and states that an environmental impact statement is not required under this Article.

~~(1) The term 'major~~

(5) 'Major development project' shall include but is not limited to shopping centers, subdivisions and other housing developments, and industrial and commercial projects, but shall not include any projects of less than two contiguous acres in extent.

(6) 'Minimum criteria' means a rule that designates a particular action or class of actions for which the preparation of environmental documents is not required.

(7) 'Public land' means all land and interests therein, title of which is vested in the State of North Carolina, in any State

agency, or in the State for the use of any State agency or political subdivision of the State, and includes all vacant and unappropriated land, swampland, submerged land, land acquired by the State by virtue of being sold for taxes, escheated land, and acquired land.

~~(2) The term 'special-purpose~~

(8) 'Special-purpose unit of government' includes any special district or public authority.

~~(3) The term~~

(9) 'State agency' includes every department, agency, institution, public authority, board, commission, bureau, division, council, member of Council of State, or officer of the State government of the State of North Carolina, but does not include local governmental units or bodies such as cities, towns, other municipal corporations or political subdivisions of the State, county or city boards of education, other local special-purpose public districts, units or bodies of any kind, or private corporations created by act of the General Assembly, except in those instances where programs, projects and actions of local governmental units or bodies are subject to review, approval or licensing by State agencies in accordance with existing statutory authority, in which case local governmental units or bodies shall supply information which may be required by such State agencies for preparation of any environmental statement required by this Article.

~~(4) The term responsible~~

(10) 'State ~~official,' as used in this Article, shall mean~~ official' means the Director, Commissioner, Secretary, Administrator or Chairman of the State agency having primary statutory authority for specific programs, projects or actions subject to this Article, or his authorized representative.

(11) 'Use of public land' means activity that results in changes in the natural cover or topography that includes:

a. The grant of a lease, easement, or permit authorizing private use of public land; or

b. The use of privately owned land for any project or program if the State or any agency of the State has agreed to purchase the property or to exchange the property for public land."

Sec. 4. G.S. 113A-10 reads as rewritten:

"*§ 113A-10. Provisions supplemental.*

The policies, obligations and provisions of this Article are supplementary to those set forth in existing authorizations of and statutory provisions applicable to State agencies and local governments. In those instances where a State agency is required to prepare an environmental ~~statement, or comments thereon,~~ document or to comment on an environmental document under provisions of federal law, ~~such statement or comments will~~ the environmental document or comment shall meet the provisions of this Article."

Sec. 5. Article 1 of Chapter 113A of the General Statutes is amended by adding two new sections to read:

"*§ 113A-11. Environmental document not required in certain cases.*

No environmental document shall be required in connection with:

(1) The construction, maintenance, or removal of an electric power line, water line, sewage line, stormwater drainage line, telephone line, telegraph line, cable television line, data transmission line, or natural gas line within or across the right-of-way of any street or highway.

(2) An action approved under a general permit issued under G.S. 113A-118.1, 143-215.1(b)(3), or 143-215.108(b)(8).

(3) A lease or easement granted by a State agency for:

a. The use of an existing building or facility.

b. Placement of a wastewater line on or under submerged lands pursuant to a permit granted under G.S. 143-215.1.

c. A shellfish cultivation lease granted under G.S. 113-202.

(4) The construction of a driveway connection to a public roadway.

"*§ 113A-12. Administrative and judicial review.*

The preparation of an environmental document required under this Article is intended to assist the responsible agency in determining the appropriate decision on the proposed action. An environmental document required under this Article is a necessary part of an application or other request for agency action. Administrative and judicial review of an environmental document is incidental to, and may only be undertaken in connection with, review of the agency action. No other review of an environmental document is allowed."

Sec. 6. In accordance with G.S. 150B-21.1(a)(2), State agencies may adopt temporary rules to implement this act, including temporary rules to establish minimum criteria. If, prior to adopting a temporary rule, an agency publishes notice of the text of the proposed temporary rule in the North Carolina Register and provides an opportunity for submitting written comment on the rule for at least 30 days after the text is published, the agency may specify an expiration date for the temporary rule of up to one year from the date the rule

becomes effective notwithstanding G.S. 150B-21.1(e). An agency may not adopt a temporary rule under this section after 1 January 1993.

Sec. 7. (a) In the event that House Bill 1583 is ratified, G.S. 113A-11 and G.S. 113A-12, as enacted by Section 5 of this act, are redesignated as G.S. 113A-12 and G.S. 113A-13 respectively.

(b) In the event that House Bill 1583 is ratified, the second sentence of G.S. 113A-11(b), as enacted by ratified House Bill 1583, is repealed.

Sec. 8. Sections 1 and 2 of this act become effective 1 October 1992 and apply to any action involving use of public land for a project or program that is authorized on or after 1 October 1992. Sections 3 through 8 of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 1662 **CHAPTER 946**

AN ACT TO ALLOW CERTAIN ADVERTISING SIGNS ALONG THE RIGHT-OF-WAY OF STATE HIGHWAYS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 136-129 reads as rewritten:

"*§ 136-129. Limitations of outdoor advertising devices.*

No outdoor advertising shall be erected or maintained within 660 feet of the nearest edge of the right-of-way of the interstate or primary highways in this State so as to be visible from the main-traveled way thereof after the effective date of this Article as determined by G.S. 136-140, except the following:

(1) Directional and other official signs and notices, which signs and notices shall include those authorized and permitted by Chapter 136 of the General Statutes, which include but are not limited to official signs and notices pertaining to natural wonders, scenic and historic attractions and signs erected and maintained by a public utility, electric or telephone membership corporation, or municipality for the purpose of giving warning of or information as to the location of an underground cable, pipeline or other installation.

(2) Outdoor advertising which advertises the sale or lease of property upon which it is located.

(2a) Outdoor advertising which advertises the sale of any fruit or vegetable crop by the grower at a roadside stand or by having the purchaser pick the crop on the property on which the crop is grown provided: (i) the sign is no more than two feet long on any side; (ii) the sign is located on

property owned or leased by the grower where the crop is grown; (iii) the grower is also the seller; and (iv) the sign is kept in place by the grower for no more than 30 days.

(3) Outdoor advertising which advertises activities conducted on the property upon which it is located.

(4) Outdoor advertising, in conformity with the rules and regulations promulgated by the Department of Transportation, located in areas which are zoned industrial or commercial under authority of State law.

(5) Outdoor advertising, in conformity with the rules and regulations promulgated by the Department of Transportation, located in unzoned commercial or industrial areas."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 369 **CHAPTER 947**

AN ACT TO PROVIDE MULTIYEAR REGISTRATION PLATES FOR SEMITRAILERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-88(c) reads as rewritten:

"(c) There shall be paid to the Division annually, as of the first day of January, for the registration and licensing of trailers or semitrailers, ten dollars ($10.00) for any part of the license year for which said license is issued. Upon the application of the owner of a semitrailer, the Division may issue a multiyear plate and registration card for the semitrailer for a fee of seventy-five dollars ($75.00). A multiyear plate and registration card for a semitrailer are valid until the owner transfers the semitrailer to another person or surrenders the plate and registration card to the Division. A multiyear plate may not be transferred to another vehicle.

The Division shall issue a multiyear semitrailer plate in a different color than an annual semitrailer plate and shall include the word 'multiyear' on the plate. The Division may not issue a multiyear plate for a house trailer."

Sec. 2. This act becomes effective January 1, 1993, and applies to trailers and semitrailers registered or reregistered on or after that date.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 531 **CHAPTER 948**

AN ACT TO PROVIDE THAT THE EASTERN BAND OF CHEROKEE INDIANS SHALL BE ELIGIBLE TO BE A MEMBER OF A REGIONAL SOLID WASTE MANAGEMENT AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-421(a) reads as rewritten:

"(a) Unless a different meaning is required by the context, terms relating to the management of solid waste used in this Article have the same meaning as in G.S. 130A-2 and in G.S. 130A-290. As used in this Article, the term 'solid waste' means nonhazardous solid waste, that is, solid waste as defined in G.S. 130A-290 but not including hazardous waste or sludge. In addition to the meaning set out in G.S. 130A-290, the term 'unit of local government' means the Eastern Band of the Cherokee Indians in North Carolina."

Sec. 2. G.S. 153A-430 is amended by adding two new subsections to read:

"(c) Except as provided by subsection (d) of this section, a unit of local government that is exempt from compliance with State laws or rules enacted or adopted for the management of solid waste or for the protection of the environment shall, by becoming a member of a regional solid waste management authority created under this Article and as a condition of such membership, agree to comply with and to be bound by all applicable federal and State laws, regulations, and rules enacted or adopted for the management of solid waste and for the protection of the environment with respect to all solid waste management activities of the authority within the territorial jurisdiction of the unit of local government and with respect to all solid waste management activities performed by the unit of local government in connection with membership in the authority.

(d) A unit of local government that is exempt from compliance with State laws or rules enacted or adopted for the management of solid waste shall obtain all permits that may be necessary for the conduct of solid waste management activities within the territorial jurisdiction of the unit of local government as provided by federal law and regulations. Responsibility for the enforcement of laws, regulations, and rules enacted or adopted for the management of solid waste within the territorial jurisdiction of a unit of local government that is exempt from compliance with State laws or rules enacted or adopted for the management of solid waste shall be as provided by federal law and regulations."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 1012 **CHAPTER 949**

AN ACT TO REINSTATE TWO SALES TAX PROVISIONS THAT WERE INADVERTENTLY DELETED IN PRIOR LEGISLATION AND TO PROVIDE THAT COMPUTER ACCESS CHARGES ARE NOT TANGIBLE PERSONAL PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.13(16) reads as rewritten:

"(16) Sales of any of the following ~~used articles~~ articles:

a. A used article taken in trade, or a series of trades, as a credit or part payment on the sale of a new ~~article,~~ article if tax is paid on the sales price of the new article. 'New article' means the original stock in trade of the ~~merchant,~~ merchant and is not limited to a newly manufactured ~~articles,~~ article.

b. An ~~The resale of articles~~ article repossessed by the ~~vendor shall likewise be exempt from gross sales taxable under this Article,~~ vendor if tax was paid on the sales price of the article."

Sec. 2. G.S. 105-164.38 reads as rewritten:

"*§ 105-164.38. Tax shall be a lien.*

The tax imposed by this Article shall be a lien upon all personal property of any person who is required by this Article to obtain a license to engage in business and who stops engaging in the business by transferring the business, transferring the stock of goods of the business, or going out of business. A person who stops engaging in business shall file the return required by this Article within 30 days after transferring the business, transferring the stock of goods of the business, or going out of business. ~~Any~~

Any person to whom the business or the stock of goods was transferred shall withhold from the consideration paid for the business or stock of goods an amount sufficient to cover the taxes due until the person selling the business or stock of goods produces a statement from the Secretary showing that the taxes have been paid or that no taxes are due. If the person who buys a business or stock of goods fails to withhold an amount sufficient to cover the taxes and the taxes remain unpaid after the 30-day period allowed, the buyer is personally liable for the unpaid ~~taxes,~~ taxes to the extent of the greater of the following:

(1) The consideration paid by the buyer for the business or the stock of goods.

(2) The fair market value of the business or the stock of goods.

The period of limitations for assessing liability against the buyer of a business or the stock of goods of a business and for enforcing the lien against the property shall expire one year after the end of the period of limitations for assessment against the person who sold the business or the stock of goods. Except as otherwise provided in this section, a person who buys a business or the stock of goods of a business and that person's liability for unpaid taxes are subject to the provisions of G.S. 105-241.1, 105-241.2, 105-241.3, and 105-241.4 and to other remedies for the collection of taxes to the same extent as if the person had incurred the original tax liability."

Sec. 3. G.S. 105-164.3(20) reads as rewritten:

"(20) 'Tangible personal property' means and includes personal property which may be seen, weighed, measured, felt or touched or is in any other manner perceptible to the senses. The term 'tangible personal property' shall not include stocks, bonds, notes, insurance or other obligations or securities, nor shall it include water delivered by or through main lines or pipes either for commercial or domestic use or consumption. The term includes all 'canned' or prewritten computer programs, either in the form of written procedures or in the form of storage media on which or in which the program is recorded, held, or existing for general or repeated sale, lease, or license to use or consume. The term does not include the design, development, writing, translation, fabrication, lease, license to use or consume, or transfer for a consideration of title or possession of a custom computer program, other than a basic operational program, either in the form of written procedures or in the form of storage media on which or in which the program is recorded, or any required documentation or manuals designed to facilitate the use of the custom computer program. The term also does not include access to a computer program or a database when the user of the computer program or database receives a separately stated fee or other charge for the access.

As used in this subdivision:

a. 'Basic operational program' or 'control program' means a computer program that is fundamental and necessary to the functioning of a computer. A basic operational program is that part of an operating

system, including supervisors, monitors, executives, and control or master programs, which consists of the control program elements of that system. A control or master program, as opposed to a processing program, controls the operation of a computer by managing the allocation of all system resources, including the central processing unit, main storage, input/output devices, and processing programs. A processing program is used to develop and implement the specific applications the computer is to perform.

b. 'Computer program' means the complete plan for the solution of a problem, such as the complete sequence of automatic data-processing equipment instructions necessary to solve a problem, and includes both systems and application programs and subdivisions, such as assemblers, compilers, routines, generators, and utility programs.

c. 'Custom computer program' means a computer program prepared to the special order of the customer. Custom computer programs include one of the following elements:

1. Preparation or selection of the programs for the customer's use requires an analysis of the customer's requirements by the vendor; or
2. The program requires adaptation by the vendor to be used in a particular make and model of computer utilizing a specified output device.

d. 'Storage media' means punched cards, tapes, disks, diskettes, or drums."

Sec. 4. Section 1 of this act becomes effective August 1, 1992. The remaining sections of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 1248 **CHAPTER 950**

AN ACT TO MAKE THE STATE THRESHOLD FOR IMPOSITION OF A PENALTY FOR UNDERPAYMENT OF INDIVIDUAL INCOME TAXES THE SAME AS THE FEDERAL THRESHOLD.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-163.15(f) reads as rewritten:

"(f) No addition to the tax shall be imposed under subsection (a) if the tax shown on the return for the taxable year reduced by the tax withheld under Article 4A is less than ~~forty dollars ($40.00)~~ the amount set in section 6654(e) of the Code or if the individual did not have any liability for tax under Division II of Article 4 for the preceding taxable year."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1992.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 1498 **CHAPTER 951**

AN ACT RELATING TO INVESTMENTS OF THE CITY OF WINSTON-SALEM.

The General Assembly of North Carolina enacts:

Section 1. The final paragraph of Section 5 of Chapter 296 of the Public-Local Laws of 1939, as amended by Chapter 721 of the Session Laws of 1959, Chapter 565 of the Session Laws of 1965, Chapter 397 of the Session Laws of 1969, and Chapter 1026 of the Session Laws of 1989 is rewritten to read:

"The City of Winston-Salem, or any governing body, agency, insurance company, person or other corporation contracting with the City of Winston-Salem for the investment, care or administration of said fund may invest and reinvest the funds constituting the said fund in one or more of the types of securities or other investments authorized by State law for the State Treasurer in G.S. 147-69.2. Additionally, the City of Winston-Salem or any agency, insurance company, person or other corporation contracting with the City of Winston-Salem for the investment, care or administration of funds may invest and reinvest any of the City's employee benefits funds and risk reserve funds in one or more of the types of securities or other investments authorized by State law for the State Treasurer in G.S. 147-69.2."

Sec. 1.1. This act, insofar as it authorizes certain investments, amends G.S. 159-30 with regard to the investment of the Winston-Salem Police Officers Retirement Fund, employee benefits funds and risk reserve funds of the City of Winston-Salem only.

Sec. 2. All laws and clauses of laws in conflict herewith are repealed.

Sec. 3. All actions heretofore taken, consistent with this act, are hereby ratified.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

H.B. 1676 **CHAPTER 952**

AN ACT TO PROVIDE FOR ENFORCEMENT FOR PARKING VIOLATIONS ON PUBLICLY OWNED PARKING LOTS IN FAYETTEVILLE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-301(d) reads as rewritten:

"(d) The governing body of any city may, by ordinance, regulate the stopping, standing, or parking of vehicles in specified areas of any parking areas or driveways of a hospital, shopping center, apartment house, condominium complex, ~~or~~ commercial office complex, or government office complex, or any other publicly or privately owned public vehicular ~~area,~~ area as defined in G.S. 20-4.01(32), or prohibit such stopping, standing, or parking during any specified hours, provided the owner or person in general charge of the operation and control of that area requests in writing that such an ordinance be adopted. The owner of a vehicle parked in violation of an ordinance adopted pursuant to this subsection shall be deemed to have appointed any appropriate law-enforcement officer as his agent for the purpose of arranging for the transportation and safe storage of such vehicle."

Sec. 2. This act applies to the City of Fayetteville only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.B. 340 **CHAPTER 953**

AN ACT TO MAKE VARIOUS AMENDMENTS TO THE NORTH CAROLINA ALARM SYSTEMS LICENSING ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 74D-2 reads as rewritten:

"§ *74D-2. Licenses required.*

(a) No person, firm, ~~association or corporation~~ association, corporation, or department or division of a firm, association or corporation, shall engage in or hold itself out as engaging in an alarm systems business without first being licensed in accordance with this ~~act.~~ Chapter. For purposes of this Chapter an 'alarm systems business' is defined as any person, firm, association or corporation which sells or attempts to sell by engaging in a personal solicitation at

a residence or business when combined with personal inspection of the interior of the residence or business to advise on specific types and specific locations of alarm system devices, installs, services, monitors or responds to electrical, electronic or mechanical alarm signal devices, burglar alarms, television cameras or still cameras used to detect burglary, breaking or entering, intrusion, shoplifting, pilferage, or theft. A department or division of a firm, association or corporation may be separately licensed under this Chapter if the distinct department or division, as opposed to the firm, association or corporation as a whole, engages in an alarm systems business. Such a department or division shall ensure strict confidentiality of private security information, and the private security information of the department or division must, at a minimum, be physically separated from other premises of the firm, association or corporation.

(b) Repealed by Session Laws 1989, c. 730, s. 1.

(c)(1) No business entity shall do business under this Chapter unless the business entity has in its employ a designated resident qualifying agent who meets the requirements for a license issued under and who is, in fact, licensed under the provisions of this Chapter, unless otherwise approved by the Board. Provided, however, that this approval shall not be given unless the business entity has and continuously maintains in this State a registered agent who shall be an individual resident in this State. Service upon the registered agent appointed by the business entity of any process, notice or demand required by or permitted by law to be served upon the business entity by the Alarm Systems Licensing Board shall be binding upon the business entity and the licensee. Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted by law to be served upon a business entity in any other manner or hereafter permitted by law.

(2) For the purposes of this Chapter, a 'qualifying agent' means an individual in a management position who is licensed under this Chapter and whose name and address have been registered with the board.

(3) In the event that the qualifying agent upon whom the business entity relies in order to do business ceases to perform his duties as qualifying agent, the business entity shall notify the board in writing within 10 working days. The business entity must obtain a substitute qualifying agent within 30 days after the original qualifying agent ceases to serve as qualifying agent unless the board, in its discretion, and upon written request of the business entity, extends this

period for good cause for a period of time not to exceed three months.

(4) The license certificate shall list the name of at least one designated qualifying agent. No licensee shall serve as the qualifying agent for more than one business entity without the prior approval of the Board.

(d) Upon receipt of an application, the board shall cause a background investigation to be made during which the applicant shall be required to show that he meets all the following requirements and qualifications prerequisite to obtaining a license:

(1) That the applicant is at least 18 years of age;

(2) That the applicant is of good moral character and temperate habits. The following shall be *prima facie* evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution or transportation of a controlled substance, drug, narcotic, or alcoholic beverages; conviction of a crime involving felonious assault or an act of violence; conviction of a crime involving unlawful breaking or entering, burglary, larceny, or of any offense involving moral turpitude; or a history of addiction to alcohol or a narcotic drug; provided that, for purposes of this subsection, 'conviction' means and includes the entry of a plea of guilty, plea of no contest, or a verdict rendered in open court by a judge or jury;

(3) That the applicant has the necessary training, qualifications and experience to be licensed.

(e) The board may require the applicant to demonstrate his qualifications by oral or written examination, or both."

Sec. 2. G.S. 74D-3 reads as rewritten:

"§ *74D-3. Exemptions.*

The provisions of this Chapter shall not apply to:

(1) A person, firm, association or corporation which sells or manufactures alarm systems, unless such persons, firm, association or corporation makes personal inspections of interiors of residences or businesses to advise on specific types and specific locations of alarm system devices, installs, services, monitors or responds to alarm systems at or from a protected premises or a premises to be protected and thereby obtains knowledge of specific application or location of the alarm system;

(2) Installation, servicing or responding to fire alarm systems or any alarm device which is installed in a motor vehicle, aircraft or boat;

(3) Installation of an alarm system on property owned by or leased to the installer;

(4) An alarm monitoring company located in another state which demonstrates to the Board's satisfaction that it does not conduct any business through a personal representative present in this State but which solicits and conducts business solely through interstate communication facilities such as telephone messages, earth satellite relay stations and the United States postal service; and

(5) A person or business providing alarm systems services to a State agency or local government if that person or business has been providing those services to the State agency or local government for more than five years prior to the effective date of this ~~act.~~ Chapter, and the State agency or local government joins with the person or business in requesting the application of this exemption."

Sec. 3. G.S. 74D-4 reads as rewritten:

"§ *74D-4. Alarm Systems Licensing Board.*

(a) The Alarm Systems Licensing Board is hereby established.

(b) The Board shall consist of seven members: the Attorney General or his designee; two persons appointed by the Governor, one of whom shall be licensed under this Chapter and one of whom shall be a public member; two persons appointed by the General Assembly upon the recommendation of the President of the Senate in accordance with G.S. 120-121, one of whom shall be licensed under this Chapter and one of whom shall be a public member; and two persons appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, one of whom shall be licensed under this Chapter and one of whom shall be a public member.

(c) Each member shall be appointed for a term of three years and shall serve until a successor is installed. No member shall serve more than two complete three-year consecutive terms. The term of each member, other than the Attorney General or his designee, who is serving on August 7, 1989, shall terminate on June 30, 1989. Of the appointments made by the General Assembly upon the recommendation of the President of the Senate to begin on July 1, 1989, one member shall be for a term of one year and one member shall be for a term of three years. Of the appointments made by the General Assembly upon the recommendation of the Speaker of the House of Representatives, one member shall be appointed for a term

of two years and one member shall be appointed for a term of three years. Thereafter all terms shall be for three years.

(d) A vacancy on the Board shall be filled for the unexpired term by the original appointing authority. Vacancies in legislative appointments shall be filled under G.S. 120-122. A vacancy may be created by removal of a Board member, either at the pleasure of the original appointing authority or by the remaining members of the Board for misconduct, incompetence or neglect of duty. A Board member may only be removed by remaining board members pursuant to a hearing at which the member subject to removal has an opportunity to be heard.

(e) ~~Compensation, per diem and reimbursement for Board members shall be as provided in G.S. 93B-5, except that~~ Board members who are also State ~~or full-time salaried public~~ officers or employees shall receive no per diem compensation for serving on the Board, and shall only receive the travel allowances set forth in G.S. 138-6. All other Board members shall receive reimbursement in accordance with G.S. 93B-5(b) and, notwithstanding G.S. 93B-5(a), shall receive as compensation for their services per diem not to exceed one hundred dollars ($100.00) for each day during which they are engaged in the official business of the Board. The Board shall set the per diem compensation of Board members who are not also State officers or employees.

(f) The Board shall elect a chairman and a vice-chairman from its membership by majority vote at the first meeting of its fiscal year. The vice-chairman shall serve as chairman of the screening committee and shall also serve as chairman in the chairman's absence. At no time shall both the positions of chairman and vice-chairman be held by either an industry representative or a nonindustry representative.

(g) The Board shall meet at the call of the chairman or a majority of the members of the Board. The Board shall adopt rules governing the call and conduct of its meetings. A majority of the current Board membership constitutes a quorum."

Sec. 4. G.S. 74D-5.1 reads as rewritten:

"*§ 74D-5.1. Position of Administrator created.*

The position of Administrator of the Alarm Systems Licensing Board is hereby created within the State Bureau of Investigation. The Attorney General shall appoint a person to fill this full-time position. The Administrator's duties shall be to administer the directives contained in this Chapter and the rules promulgated by the Board to implement this Chapter and to carry out the administrative duties incident to the functioning of the Board in order to actively police the alarm systems industry to insure compliance with the law in all aspects. The Administrator may issue a temporary grant or denial of

a request for registration subject to final action by the Board at its next regularly scheduled meeting."

Sec. 5. G.S. 74D-6 reads as rewritten:

"§ *74D-6. Denial of a ~~license.~~ license or registration.*

Upon a finding that the applicant meets the requirements ~~of G.S. 74D-2(d) and (e),~~ for licensure or registration under this Chapter, the Board shall determine whether the applicant shall receive ~~a license.~~ the license or registration applied for. The grounds for denial ~~of a license~~ include:

(1) Commission of some act which, if committed by a registrant or licensee, would be grounds for the suspension or revocation of a registration or license under this Chapter;

(2) Conviction of a crime involving fraud;

(3) Lack of good moral character or temperate habits. The following shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, State, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution, or transportation of a controlled substance, drug, narcotic, or alcoholic beverages; conviction of a crime involving felonious assault or an act of violence; conviction of a crime involving unlawful breaking or entering, burglary or larceny or of any offense involving moral turpitude; or a history of addiction to alcohol or a narcotic drug; provided that, for purposes of this subsection 'conviction' means and includes the entry of a plea of guilty, plea of no contest, or a verdict rendered in open court by a judge or jury;

(4) Previous denial ~~of a license~~ under this Chapter or previous revocation ~~of a license~~ for cause;

(5) Knowingly making any false statement or misrepresentation in ~~the license application,~~ an application made to the Board for a license or registration."

Sec. 6. G.S. 74D-7 reads as rewritten:

"§ *74D-7. Form of license; term; assignability; renewal; posting; branch offices; fees.*

(a) The license when issued shall be in such form as may be determined by the Board and shall state:

(1) The name of the licensee;

(2) The name under which the licensee is to operate; and

(3) The number and expiration date of the license.

(b) The license shall be issued for a term of ~~one year.~~ two years. Each license must be renewed before expiration of the term of the

license. Following issuance, the license shall at all times be posted in a conspicuous place in the principal place of business of the licensee. A license issued under this Chapter is not assignable.

(c) No licensee shall engage in any business regulated by this Chapter under a name other than the licensee name or names which appear on the certificate issued by the Board.

(d) Any branch office of an alarm systems business shall ~~be properly licensed.~~ obtain a branch office certificate. A separate ~~license.~~ certificate stating the location and licensed qualifying ~~agent.~~ agent shall be posted at all times in a conspicuous place in each branch office. Every business covered under the provisions of this Chapter shall file in writing with the Board the addresses of each of its branch offices. All licensees of a branch office shall notify the Board in writing, within 10 working days after the establishment, closing, or changing of the location of any branch office. A licensed qualifying agent may be responsible for more than one branch office of an alarm systems business with the prior approval of the Board. Temporary approval may be granted by the Administrator, upon application of the qualifying agent, for a period of time not to exceed 10 working days after the adjournment of the next regularly scheduled meeting of the Board unless the Board determines that the application should be denied.

(e) The Board ~~is authorized to~~ may charge ~~reasonable application and license~~ fees as follows:

(1) A nonrefundable initial license application fee in an amount not to exceed ~~seventy-five dollars ($75.00);~~ one hundred fifty dollars ($150.00).

(2) A new or renewal license fee in an amount not to exceed ~~one hundred fifty dollars ($150.00);~~ three hundred fifty dollars ($350.00).

(3) A late license renewal fee to be paid in addition to the renewal fee due in an amount not to exceed one hundred dollars ($100.00), if the license has not been renewed on or before the expiration date of the ~~license;~~ license.

(4) A registration fee in an amount not to exceed ~~fifteen dollars ($15.00)~~ twenty dollars ($20.00) plus any fees charged to the board for background checks by the State Bureau of ~~Investigation;~~ Investigation.

(5) A fee for reregistration of an employee who changes employment to another licensee, not to exceed ten dollars ($10.00).

(6) A branch office certificate fee not to exceed one hundred fifty dollars ($150.00).

All fees collected pursuant to this section shall be expended, under the direction of the Board, for the purpose of defraying the expense of administering this Chapter."

Sec. 7. G.S. 74D-8 reads as rewritten:

"§ *74D-8. Registration of persons employed.*

(a)(1) All licensees of an alarm systems business~~, upon or before the beginning of employment of any employee, shall furnish the Board with the following:~~ shall register with the Board within 20 days after the employment begins, all of the licensee's employees that are within the State, unless in the discretion of the Administrator, the time period is extended for good cause. To register an employee, a licensee shall submit to the Board as to the employee: set(s) of classifiable fingerprints on standard F.B.I. applicant cards; recent color photograph(s) of acceptable quality for identification; and statements of any criminal records obtained from the appropriate authority in each area where the employee has resided within the immediately preceding 48 months.

(2) Except during the period allowed for registration in subdivision (a)(1) of this section, no ~~An~~ alarm systems business may ~~not~~ employ any employee unless the employee's registration has been approved by the Board as set forth in this section. ~~employee is properly registered with the Board in compliance with G.S. 74D-8(a)(1).~~

(b) The ~~Board~~ Administrator shall be notified in writing of the termination of any employee registered under this Chapter within ~~10~~ 20 days after the termination.

(c) The Board shall issue ~~an identification~~ a registration card to each employee of a licensee who is registered under this Chapter. The registration card shall expire ~~one year~~ two years after its date of issuance and shall be renewed before the expiration of the term of the registration. If a registered person changes employment to another licensee, the registration card may remain valid; however, persons changing employment must pay the fee authorized by G.S. 74D-7(e)(5).

(d) If all required documents, properly completed, have been submitted to the Board no later than 20 days after an employee begins employment, the employer of each applicant for registration shall give the applicant a copy of the complete application which the employee can use until a registration card issued by the Board is received."

Sec. 8. G.S. 74D-9(e) reads as rewritten:

"(e) An insurance carrier shall have the right to cancel such policy of liability insurance upon giving ~~a 30-day~~ written notice to the ~~Board.~~ Board within a reasonable time before the effective date of the cancellation. Provided, however, that such cancellation shall not affect any liability on the policy which accrued prior thereto. The policy of liability shall be approved by the Board as to form, execution, and terms thereon."

Sec. 9. G.S. 74D-10 reads as rewritten:

"*§ 74D-10. Suspension or revocation of licenses and registrations; appeal.*

(a) The Board may, after notice and an opportunity for hearing, suspend or revoke a license or registration issued under this Chapter if it is determined that the licensee or registrant has:

(1) Made any false statement or given any false information in connection with any application for a license or registration, or for the renewal or reinstatement of a ~~license;~~ license or registration;

(2) Violated any provision of this Chapter;

(3) Violated any rule promulgated by the Board pursuant to the authority contained in this Chapter;

(4) Been convicted of any crime involving moral turpitude or any other crime involving violence or the illegal use, carrying, or possession of a dangerous weapon;

(5) Failed to correct business practices or procedures that have resulted in a prior reprimand by the Board;

(6) Impersonated or permitted or aided and abetted any other person to impersonate a law-enforcement officer of the United States, this State, or any of its political subdivisions;

(7) Engaged in or permitted any employee to engage in any alarm systems business when not lawfully in possession of a valid license issued under the provisions of this Chapter;

(8) Committed an unlawful breaking or entering, assault, battery, or kidnapping;

(9) Committed any other act which is a ground for the denial of an application for a license or registration under this Chapter;

(10) Failure to maintain the certificate of liability required by this Chapter;

(11) Any judgment of incompetency by a court having jurisdiction under Chapter 35A or former Chapter 35 of the General Statutes or commitment to a mental health facility for treatment of mental illness, as defined in ~~G.S. 122-36(d) [122C-3(21)],~~ G.S. 122C-3(21), by a court having jurisdiction under ~~Article 5A of Chapter 122~~

~~[Article 5 of Chapter 122C]~~ Article 5 of Chapter 122C of the General Statutes;

(12) Accepted payment in advance for services not performed within a reasonable time ~~period.~~ period;

(13) A lack of temperate habits or of good moral character. The acts that are *prima facie* evidence of lack of temperate habits or of good moral character under G.S. 74D-6(3) are *prima facie* evidence of the same under this subdivision.

(b) The revocation or suspension of license or registration by the Board as provided in subsection (a) shall be in writing, stating the grounds upon which the Board decision is based. The aggrieved person shall have the right to appeal from such decision as provided in Chapter 150B of the General Statutes."

Sec. 10. G.S. 74D-11 reads as rewritten:

"§ *74D-11. Enforcement.*

(a) The Board is authorized to apply in its own name to any judge of the Superior Court of the General Court of Justice for an injunction in order to prevent any violation or threatened violation of the provisions of this Chapter.

(b) Any person, firm, association, ~~or corporation of~~ corporation, or department or division of a firm, association or corporation, or their agents and employees violating any of the provisions of this Chapter or knowingly violating any rule promulgated to implement this Chapter shall be guilty of a misdemeanor and punishable by a fine of up to five hundred dollars ($500.00), by imprisonment for a term not to exceed one year, or by both, in the discretion of the court. The Attorney General, or his representative, shall have concurrent jurisdiction with the district attorneys of this State to prosecute violations of this Chapter.

(c) The regulation of alarm systems businesses shall be exclusive to the Board; however, any city or county shall be permitted to require an alarm systems business operating within its jurisdiction to register and to supply information regarding its license, and may adopt an ordinance to require users of alarm systems to obtain revocable permits when alarm usage involves automatic signal transmission to a law-enforcement agency.

(d) In lieu of revocation of suspension of a license or registration under G.S. 74D-10, a civil penalty of not more than two thousand dollars ($2,000) may be assessed by the Board against any person who violates any provision of this Chapter, or any rule of the Board adopted pursuant to this Chapter. In determining the amount of any penalty, the Board shall consider the degree and extent of harm caused by the violation. All penalties collected under this section will be deposited in the General Fund.

(e) Proceedings for the assessment of civil penalties shall be governed by Chapter 150B of the General Statutes. If the person assessed a penalty fails to pay the penalty to the Board, the Board may institute an action in the superior court of the county in which the person resides or has his principal place of business to recover the unpaid amount of the penalty. An action to recover a civil penalty under this section shall not relieve any party from any other penalty prescribed by law."

Sec. 11. This act is effective upon ratification. Section 6 of this act applies to fees due after the date of ratification of this act.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

S.B. 474 **CHAPTER 954**

AN ACT TO PROVIDE THAT UNINCORPORATED AREAS ADDED TO AN EXISTING SEWERAGE DISTRICT ARE REPRESENTED BY THE MEMBERS REPRESENTING THE COUNTY IN WHICH THE AREAS LIE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 162A-68 reads as rewritten:

"§ *162A-68. Procedure for inclusion of additional political subdivision or unincorporated area; notice and hearing; elections; actions to set aside proceedings.*

(a) If, at any time subsequent to the creation of a district, there shall be filed with the district board a resolution of the governing body of a political subdivision, or a petition, signed by not less than fifty-one per centum (51%) of the qualified voters resident within an unincorporated area, requesting inclusion in the district of such political subdivision or unincorporated area, and if the district board shall favor the inclusion in the district of such political subdivision or unincorporated area, the district board shall notify the board or boards of commissioners of the county or counties within which the district lies and shall file with the board or boards of commissioners and with the Environmental Management Commission a report setting forth the plans of the district for extending sewerage service to the political subdivision or unincorporated area. The report shall include:

(1) A map or maps of the district and adjacent territory showing the present and proposed boundaries of the district; the existing major sewer interceptors and outfalls; and the proposed extension of such interceptors and outfalls.

(2) A statement setting forth the plans of the district for extending sewerage services to the territory proposed to be included, which plans shall:

a. Provide for extending sewerage service to the territory included on substantially the same basis and in the same manner as such services are provided within the rest of the district prior to inclusion of the new territory.

b. Set forth a proposed time schedule for extending sewerage service to the territory proposed to be included.

c. Set forth the estimated cost of extending sewerage service to the territory proposed to be included; the method by which the district proposes to finance the extension; the outstanding existing indebtedness of the district, if any; and the valuation of assessable property within the district and within the territory proposed to be included.

d. Contain a declaration of intent of the district board to conform with the plans set forth in the report in extending sewerage services to the territory proposed to be included; and a certification by the chairman of the district board to the effect that the matters and things set forth in the report are true to his knowledge or belief.

(b) The board or boards of commissioners, through the chairmen thereof, shall thereupon request that a representative of the Environmental Management Commission hold a joint public meeting with the board or boards of commissioners concerning the inclusion of ~~such~~ a political subdivision or an unincorporated area in the district. The chairman of the Environmental Management Commission and the chairman or chairmen of the board or boards of commissioners shall name a time and place within the district at which the public hearing shall be held. The chairman or chairmen of the board or boards of commissioners shall give prior notice of such hearing by posting a notice at the courthouse door of the county or counties at least 30 days prior to the hearing and also by publication at least once a week for four successive weeks in a newspaper having general circulation in the district and in any such political subdivision or unincorporated area, the first publication to be at least 30 days prior to such hearing. In the event all matters pertaining to the inclusion of such political subdivision or unincorporated area cannot be included at such hearing, such hearing may be continued to a time and place within the district determined by the board or boards of commissioners with the concurrence of the representative of the Environmental Management Commission.

(c) If, after such hearing, the Environmental Management Commission and the board or boards of commissioners shall

determine that the inclusion of ~~such~~ the political subdivision or unincorporated area in the district will preserve and promote the public health and welfare, the Environmental Management Commission shall adopt a resolution to that effect, defining the boundaries of the district, including ~~such~~ the political subdivision or unincorporated area which has filed a resolution or petition as provided for in this section, and declaring such political subdivision or unincorporated area to be included in the district.

(d) If, at or prior to such public hearing, there shall be filed with the district board a petition, signed by not less than ten per centum (10%) of the qualified voters residing in the district, requesting an election to be held therein on the question of including ~~any such~~ the political subdivision or unincorporated area, the district board shall certify a copy of such petition to the board or boards of commissioners, and the board or boards of commissioners shall request the county board or boards of elections to submit such question to the qualified voters within the district in accordance with the applicable provisions of Chapter 163 of the General Statutes; provided, that the election shall not be held unless the Environmental Management Commission has adopted a resolution approving the inclusion of the political subdivision or unincorporated area in the district.

Notice of such election, which shall contain a statement of the boundaries of the territory proposed to be included in the district and the boundaries of the district after inclusion, shall be given by publication once a week for three successive weeks in a newspaper or newspapers having general circulation within the district, the first publication to be at least 30 days prior to the election.

(e) Notice of the resolution of the Environmental Management Commission, or in the event that an election pursuant to this section is held, notice of the results of the election, approving the inclusion of the political subdivision or unincorporated area within the district shall be published as provided in G.S. 162A-66.

(f) Any action or proceeding in any court to set aside a resolution of the Environmental Management Commission or an election approving the inclusion of a political subdivision or unincorporated area within a district or to obtain any other relief upon the ground that such resolution or election or any proceeding or action taken with respect to the inclusion of the political subdivision or unincorporated area within the district is invalid, must be commenced within 30 days after the first publication of the notice. After the expiration of such period of limitation, no right of action or defense founded upon the invalidity of the resolution or the election or the inclusion of the political subdivision or unincorporated area in the district shall be

asserted, nor shall the validity of the resolution or the election or the inclusion of the political subdivision or unincorporated area be open to question in any court upon any ground whatever, except in an action or proceeding commenced within such period.

(g) Any political subdivision or unincorporated area included within an existing district by resolution of the Environmental Management Commission or by such resolution and election shall be subject to all debts of the district.

(h) The annexation by a city or town within a metropolitan sewerage district of an area lying outside such district shall not be construed as the inclusion within the district of an additional political subdivision or unincorporated area within the meaning of the provisions of this section; but any such areas so annexed shall become a part of the district and shall be subject to all debts thereof.

(i) Immediately following the inclusion of any additional political subdivision ~~or unincorporated area~~ within an existing district, members representing such additional political subdivision ~~or unincorporated area~~ shall be appointed to the district board in the manner provided in G.S. 162A-67. Any additional unincorporated area that is included within an existing district shall be represented by the members representing the county in which the unincorporated area lies except that:

(1) If inclusion of the additional unincorporated area extends the district into more than one county, members representing the unincorporated area in the new county shall be appointed in accordance with G.S. 162A-67(a)(2) immediately following the inclusion of the additional area.

(2) If the inclusion of the additional unincorporated area has the effect of changing the county in which the largest portion of the district lies, new members representing the county comprising the larger portion of the district shall be appointed in accordance with G.S. 162A-67(a)(2) immediately following the inclusion, and no reappointment shall be made by the county in which the lesser portion of the district lies upon expiration of the first term of a member representing that county following the inclusion.

The terms of office of the members first appointed to represent such additional subdivision or area may be varied for a period not to exceed six months from the terms provided for in G.S. 162A-67, so that the appointment of successors to such members may more nearly coincide with the appointment of successors to members of the existing board; and all successor members shall be appointed for the terms provided for in G.S. 162A-67."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

S.B. 1009 **CHAPTER 955**

AN ACT MAKING TECHNICAL AND ADMINISTRATIVE CHANGES TO THE LICENSE AND EXCISE TAX LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-65.1(b)(1) reads as rewritten:

"(1) In addition to the license tax imposed under subsection (a), a distributor or operator of soft drink dispensers, except open cup drink dispensers, shall annually pay to the Secretary of Revenue a soft drink dispenser tax in an amount based on the number of dispensers operated, ~~maintained~~ maintained, or placed on location by the distributor or operator on July 1 of the license year. The amount of tax due is as follows:

Number of Dispensers	Amount of Tax
~~5-50~~ 1-50	$ 7.00 per dispenser
51-100	535.00
101-150	892.50
151-200	1,250.00
200 and up	1,250.00 plus $357.50 for each additional 50 dispensers or fraction thereof

A distributor or operator who was not in business on July 1 of the license year shall pay a tax based on the number of dispensers ~~he~~ the distributor or operator reasonably expects to operate, ~~maintain~~ maintain, or place on location during the ensuing license year. If the number of dispensers operated, ~~maintained~~ maintained, or placed on location during that year exceeds the distributor's or operator's estimate, the distributor or operator shall, within 20 days of the close of the license year, report the excess to the Secretary and pay any additional tax due according to the above table."

Sec. 2. G.S. 105-85(b)(1) reads as rewritten:

"(1) Laundry. -- A business where steam, electricity, or other power is used to clean fabric, including a wet or damp wash laundry, a launderette, a launderall, or a similar business. The term 'launderettes and launderalls' means commercial establishments in which automatic washing machines and

dryers are installed for the use of individual customers, including those that contain coin-operated or coin-activated washing machines; however, the term does not include an apartment ~~buildings~~ building in which these machines are provided by the apartment building owner or manager for the exclusive use and convenience of tenants of the ~~buildings.~~ building."

Sec. 3. Part 1 of Article 2A of Chapter 105 of the General Statutes is amended by adding a new section to read:

"*§ 105-113.4A. Licenses.*

(a) General. -- To obtain a license required by this Article, an applicant must apply to the Secretary and pay the tax due for the license. A license is not transferable or assignable and must be displayed at the place of business for which it is issued.

(b) Refund. -- A refund of a license tax is allowed only when the tax was collected or paid in error. No refund is allowed when a license holder surrenders a license or the Secretary revokes a license.

(c) Duplicate or Amended License. -- Upon application to the Secretary, a license holder may obtain without charge one of the following:

(1) A duplicate license, if the license holder establishes that the original license has been lost, destroyed, or defaced.

(2) An amended license, if the license holder establishes that the location of the place of business for which the license was issued has changed.

A duplicate or amended license shall state that it is a duplicate or amended license, as appropriate."

Sec. 4. G.S. 105-113.12 reads as rewritten:

"*§ 105-113.12. ~~Distributors'~~ Distributor must obtain license.*

(a) ~~Distributors shall obtain, for each place of business, a continuing license, for which a fee~~ A distributor shall obtain for each place of business a continuing distributor's license and shall pay a tax of twenty-five dollars ($25.00) ~~shall be paid,~~ for the license.

(b) For the purposes of this section, 'place of business' means any place where unstamped packages of cigarettes are received or stored by a distributor for the purposes of affixing stamps thereto, and any place where a distributor actually affixes stamps to unstamped packages of cigarettes.

(c) ~~Out-of-state distributors~~ An out-of-state distributor may obtain ~~appropriate distributors' licenses~~ a distributor's license upon compliance with the provisions of G.S. ~~105-113.24, for which a fee~~ 105-113.24 and payment of a tax of twenty-five dollars ~~($25.00) shall be paid for each such license.~~ ($25.00)."

Sec. 5. G.S. 105-113.13 reads as rewritten:

"§ 105-113.13. ~~Issuance of licenses.~~ *Secretary may investigate applicant for distributor's license and require a bond.*

~~(a) All licenses shall be issued by the Secretary.~~

~~(b) No license shall be issued to a distributor except upon payment of the full fee therefor.~~

~~(c) Prior to the issuance of any license under this Article, the Secretary may cause to be made such investigation as he deems necessary respecting the eligibility of the applicant to receive such license and the accuracy of the information contained in the application therefor. The Secretary may refrain from the issuance of a license where he has reasonable cause to believe that the applicant has wilfully withheld information requested by him for the purpose of determining the eligibility of the applicant to receive a license or where he has reasonable cause to believe that the information submitted in the application is false or misleading and is not made in good faith.~~

~~(d) When the Secretary deems it necessary to the proper administration of this Article, he may require any distributor upon application for a license to file with him a bond payable to the State of North Carolina in such amount and upon such conditions as in the opinion of the Secretary will guarantee the performance of the duties and the discharge of the liabilities of said distributor under this Article. Such bond shall be executed by the distributor as principal and by an indemnity company licensed to do business under the insurance laws of this State as surety.~~

~~(e) No license shall be assignable or transferable.~~

(a) Investigation. -- The Secretary may investigate an applicant for a distributor's license to determine if the information the applicant submits with the application is accurate and if the applicant is eligible to be licensed as a distributor. The Secretary may decline to issue a distributor's license to an applicant when the Secretary has reasonable cause to believe any of the following:

(1) That the applicant has willfully withheld information requested by the Secretary for the purpose of determining the applicant's eligibility for the license.

(2) That information submitted with the application is false or misleading.

(3) That the application is not made in good faith.

(b) Bond. -- The Secretary may require a distributor to furnish a bond in an amount that adequately protects the State from loss if the distributor fails to pay taxes due under this Part. A bond shall be conditioned on compliance with this Part, shall be payable to the State, and shall be in the form required by the Secretary. A bond shall be executed by the distributor as principal and by an indemnity company

licensed to do business under the insurance laws of this State as surety."

Sec. 6. G.S. 105-113.14 and G.S. 105-113.15 are repealed.

Sec. 7. G.S. 105-113.16(e) reads as rewritten:

"(e) If any person licensed under the provisions of G.S. 105-65.1, ~~105-84,~~ 105-102.5(b)(7), 105-164.4, 105-164.5, ~~105-164.6 and~~ 105-164.6, or 105-164.29 ~~shall be~~ is convicted ~~by any court of competent jurisdiction in this State~~ of any offense under this Article, the Secretary ~~is authorized to~~ may revoke any or all licenses issued to ~~such~~ the person under ~~the provisions of the aforesaid sections of Chapter 105 of the General Statutes,~~ these statutes. The provisions of subsection (b) ~~above relative to~~ concerning notice, hearing, ~~review~~ review, and appeal ~~shall~~ apply to ~~this subsection (e),~~ a revocation of a license under this subsection."

Sec. 8. G.S. 105-113.17 reads as rewritten:

"§ *105-113.17.* ~~*Exhibit of license; identification*~~ *Identification of dispensers.*

~~(a) Each license, or certificate thereof, or such other evidence of license as the Secretary may authorize, shall be exhibited in the place of business for which it is issued and in such manner as may be prescribed by the Secretary.~~

~~(b) Every vending machine which dispenses cigarettes shall be identified as to ownership in such manner as the Secretary may prescribe.~~

Each vending machine that dispenses cigarettes must be marked to identify its owner in the manner required by the Secretary."

Sec. 9. G.S. 105-113.24(b) reads as rewritten:

"(b) ~~Any such~~ A nonresident distributor ~~shall be required to~~ must agree to submit ~~his~~ the distributor's books, accounts, and records to reasonable examination by the Secretary or ~~his~~ the Secretary's duly authorized agents. ~~Each such nonresident distributor shall file with the Secretary a performance bond fulfilling the terms and conditions set forth with respect to bonds in subsection (d) of~~ The Secretary may require a nonresident distributor to file a bond in accordance with G.S. 105-113.13."

Sec. 10. G.S. 105-113.35 is amended by adding a new subsection to read:

"(d) Manufacturer's Option. -- A manufacturer who is not a retail dealer and who ships tobacco products other than cigarettes to either a wholesale dealer or retail dealer licensed under this Part may apply to the Secretary to be relieved of paying the tax imposed by this section on the tobacco products. Once granted permission, a manufacturer may choose not to pay the tax until otherwise notified by the Secretary. To be relieved of payment of the tax imposed by this

section, a manufacturer must comply with the requirements set by the Secretary."

Sec. 11. G.S. 105-113.36 reads as rewritten:

"§ *105-113.36. Wholesale dealer and retail dealer must obtain license.*

A wholesale dealer shall obtain for each place of business a continuing tobacco products license and shall pay a tax of twenty-five dollars ($25.00) for the license. A retail dealer shall obtain for each place of business a continuing tobacco products license and shall pay a ~~fee~~ tax of ten dollars ($10.00) for the license. A 'place of business' is a place where a wholesale dealer or where a retail dealer makes tobacco products other than cigarettes or a wholesale dealer or a retail dealer receives or stores non-tax-paid tobacco products other than cigarettes."

Sec. 12. G.S. 105-113.37(c) is repealed.

Sec. 13. G.S. 105-113.44(6) reads as rewritten:

"(6) Natural. -- Without added ingredients of any kind other than ~~vitamins.~~ vitamins, minerals, or ingredients extracted from an item and later returned to the item during the manufacturing process. Added ingredients include sugar, salt, preservatives, ~~artificial flavoring,~~ coloring, ~~and carbonation.~~ carbonation, and artificial flavoring."

Sec. 14. G.S. 105-113.45 reads as rewritten:

"§ *105-113.45. Excise taxes on soft drinks and base products.*

(a) Bottled Soft Drinks. -- An excise tax of one cent (1¢) is levied on each bottled soft drink.

(b) Repealed by Session Laws 1991, c. 689, s. 276.

(c) Liquid Base Products. -- An excise tax of one dollar ($1.00) a gallon, or four-fifths of a cent (4/5¢) an ounce or a fraction of an ounce, is levied on a liquid base product. The tax applies regardless whether the liquid base product is diverted to and used for a purpose other than making a soft drink.

(d) Dry Base Products. -- An excise tax is levied on a dry base product at the rate:

(1) Of one cent (1¢) an ounce or a fraction of an ounce if the dry base product is not converted into a syrup or other liquid base product before it is used to make a soft drink.

(2) That would apply under subsection (c) to the resulting liquid base product if the dry base product is converted into a liquid base product before it is used to make a soft drink.

(e) Repealed by Session Laws 1991, c. 689, s. 276."

Sec. 15. G.S. 105-113.46(9) reads as rewritten:

"(9) A base product for domestic ~~use, except a base product that does not contain any milk and to which a liquid other than milk is added to make a soft drink.~~ use that either contains

milk or, according to directions on the base product's container, requires milk to be added to make a soft drink."

Sec. 16. G.S. 105-113.51(e) is repealed.

Sec. 17. G.S. 105-74(c) reads as rewritten:

"(c) Local Licenses. -- A municipality may tax each place of business that is taxed under subsection (a) ~~and~~ only if it is located in the municipality. The tax may not exceed the rate provided in subsection (a). ~~Counties and municipalities may tax each business taxed under subsection (b). The tax may not exceed the rate provided in subsection (b).~~ A municipality may not tax a business taxed under subsection (b)."

Sec. 18. G.S. 105-85(e) reads as rewritten:

"(e) Local Licenses. -- A municipality may tax each place of business that is taxed under subsection (a) ~~and~~ only if it is located in the municipality. The tax may not exceed the rate provided in subsection (a). ~~Counties and municipalities may tax each business taxed under subsection (c). The tax may not exceed the rate provided in subsection (c).~~ A municipality may not tax a business taxed under subsection (c)."

Sec. 19. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

S.B. 1019 **CHAPTER 956**

AN ACT TO EXTEND THE LIMITS OF THE FLEETWOOD AND THE LANSING FIRE PROTECTION DISTRICTS IN ASHE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. The Fleetwood Fire Department Fire Tax District is expanded to include the following territory:

FLEETWOOD FIRE DISTRICT
ASHE COUNTY

POINT #1
Beginning in the intersection of N.C. 194 and old U.S. 221 (Beaver Creek School Road) and N.C. road #1141 and running south-east, 6/10 of a mile to a point in the center line of new U.S. 221, said point being located 5/10 of a mile and north-east of intersection of U.S. 221 and N.C. road #1143, and being point #2.

Thence leaving new U.S. 221 and running south-east, 320 feet to a point in the centerline of N.C. road #1143, said point being located

6/10 of a mile and north-east of intersection of U.S. 221 and N.C. road #1143, and being point #3.

Thence running up and with the centerline of N.C. road #1143, 1-1/10 mile to the intersection of N.C. roads #1143 and #1145, and being point #4.

Thence running north-east and with the center line of N.C. road #1145, 7/10 of a mile to the intersection of N.C. roads #1145 and #1146, and being point #5.

Thence in a south-east direction following road #1146, 6/10 of a mile to end of road and then continuing in a south-east direction 1-3/10 mile to bridge on N.C. road #1147 - point #6, said point being located 3/10 of a mile north-west of intersection of N.C. roads #1181 and #1147.

Thence in a south-east direction, 3/10 mile to the intersection of N.C. roads #1147 and #1181 to point #7.

Thence in a south-east direction, 1-9/10 mile to N.C. road #1181 - point #8.

Thence continuing in south-east direction and with the centerline of N.C. road #1181, 1-9/10 mile to intersection of N.C. roads #1181 and #1003 - point #9.

Thence in a south-east direction, 1-1/10 mile to intersection of N.C. roads #1183 and #1003 - point #10.

Thence south, 1-1/10 mile to N.C. road #1166 - point #11.

Thence in a south-east direction and with the centerline of N.C. road #1166, 4/10 of a mile to Blue Ridge Parkway - point #12.

Thence in a south-west direction following the Ashe and Wilkes County line to the top of Thompkins Knob - point #13.

Thence in a north-west direction following the Ashe and Watauga County line, 8/10 of a mile to point #14.

Thence in a north-east direction, 5/10 of a mile to the end of N.C. road #1169, and continuing in a north-east direction and with the

centerline of said road, 9/10 of a mile to intersection of N.C. roads #1169 and #1171 - point #15.

Thence in a south-west direction and with the center line of N.C. road #1171, 1-3/10 mile to the intersection of N.C. road #1171 and U.S. 221, (excluding the residence of Norman Cheek) - being point #16.

Thence north and running with the centerline of U.S. 221, 3/10 of a mile to a point in the centerline of U.S. 221 and being point #17.

Thence in a north-west direction, 1-5/10 mile to a point in N.C. road #1101, said point being located 3/10 of a mile and north of intersection of N.C. roads #1100 and #1101 - being point #18.

Thence in a north-west direction, 7/10 of a mile to a point in the centerline of N.C. road #1103 and being located 3/10 of a mile and north of the intersection of N.C. roads #1100 and #1103 - being point #19.

Thence in a north-west direction and with the centerline of N.C. road #1103, 7/10 of a mile to a point in the centerline of #1103 - being point #20.

Thence in a north-west direction, 8/10 of a mile to the intersection of Mill Creek and the South Fork of the New River - being point #21.

Thence in a north-west direction, up the centerline of Mill Creek, 8/10 of a mile to the intersection of Mill Creek and Jerry's Branch - being point #22.

Thence north and up the centerline of Jerry's Branch, 400 feet to the intersection of Jerry's Branch and Mill Creek Road (N.C. road #1109) - being point #23.

Thence north-west direction, up and with the centerline of Mill Creek Road (#1109), 5/10 of a mile to the intersection of N.C. roads #1109 and #1110 - being point #24.

Thence north and with the centerline of N.C. road #1110, 9/10 of a mile to the intersection of N.C. roads #1110 and #1112 - being point #25.

Thence in a north-east direction and leaving road (point #25), 1-1/10 mile to a point in the centerline of N.C. Highway #194, said point

being located 5/10 of a mile and being south-west of intersection of N.C. 194 and road #1208 - being point #26.

Thence leaving N.C. 194 and in a northwest direction, 9/10 of a mile to the south-east corner of the William J. Donclan property - being point #27.

Thence in a north-east direction, 3/10 of a mile to the end of N.C. road #1208 - being point #28.

Thence leaving the end of N.C. state-maintained road #1208 and running up the centerline of a private road-way and in a north-west direction, 2/10 of a mile to a point in centerline of private road-way - being point #29.

Thence leaving private road-way and running in a north-east direction, 1-1/10 mile to a point in N.C. road #1142 - being point #30.

Thence running a north-east direction and with the centerline of N.C. road #1142, 9/10 of a mile to the intersection of N.C. roads #1142 and #1138 - being point #31.

Thence north and with the centerline of N.C. road #1138, 4/10 of a mile to the intersection of N.C. roads #1138 and #1141 - being point #32.

Thence running in a south-east direction and with the centerline of N.C. road #1141, 5/10 of a mile to Beginning Point #1.

Sec. 2. The Lansing Fire Department Fire Tax District is expanded to include the following territory:

LANSING FIRE DISTRICT

Ashe County

Beginning at a point (1) at the intersection of Roads 1362 and 1367; thence in a northeasterly direction to a point (2) on Road 1367, 1.0 mile northwest of its intersection with NC Highway 194 excluding property on Road 1367 between this and the preceding point; thence in a northeasterly direction to a point (3) on NC Highway 194, 1.0 mile north of its intersection with Road 1367; thence in a southeasterly direction to a point (4) on Road 1521, 1.0 mile northeast of its intersection with Road 1516, excluding property on Road 1526; thence in a southeasterly direction to a point (5) on Road 1522, 1.0 mile northwest of its intersection with Road 1500, excluding property on Road 1522 between this and the preceding point; thence in a southeasterly direction to a point (6) on Road 1500, 0.6 mile northeast

of its intersection with Road 1513; thence in a southerly direction to a point (7) on Road 1513, 0.6 mile southeast of its intersection with Road 1500; thence in a southerly direction to a point (8) on Road 1501, 0.5 mile east of its intersection with Road 1642; thence in a northwesterly direction to a point (9) at the intersection of Roads 1642 and 1644, including property on Road 1642 between this and the preceding point; thence in a westerly direction to a point (10) on NC Highway 194 at the Norfolk and Western Railway crossing, including property on Road 1644; thence in a northwesterly direction to a point (11) at the intersection of Roads 1350 and 1347, including property on Road 1350; thence in a westerly direction to a point (12) on Road 1352, 0.4 mile south of its intersection with Road 1337; thence in a northwesterly direction to a point (13) on Road 1337, 0.5 mile northwest of its intersection with Road 1352, including property on Road 1337 between this and the preceding point; thence in a northerly direction to a point (14) on Road 1334, 0.7 mile northwest of its intersection with Road 1335; thence in a northeasterly direction to a point (15) on Road 1324, 1.0 mile northwest of its intersection with Road 1334; thence in a northerly direction to a point (16) on Road 1353, 1.2 miles northwest of its intersection with Road 1362; thence in an easterly direction to point (1), the beginning.

Sec. 3. This act applies to Ashe County only.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

S.B. 1023 **CHAPTER 957**

AN ACT TO CHANGE THE MAINTENANCE OF EFFORT PROVISION FOR THE PUBLIC SCHOOLS OF ROBESON COUNTY.

The General Assembly of North Carolina enacts:

Section 1. Section 13 of Chapter 605, Session Laws of 1987, as rewritten by Chapter 986, Session Laws of 1989 and Chapter 364, Session Laws of 1991, reads as rewritten:

"(a) The Robeson County Board of Commissioners shall provide local funding to the Public Schools of Robeson County for the following school years at at least the designated percentage of the average local funding per ADM in the remainder of the State, in accordance with the most recent figures available from the State Board of Education as of January 1 of the year in which the budget is adopted:

1989-90 70%

1990-91 75%.

(b) Notwithstanding the provisions of subsection (a) of this section, the Robeson County Board of Commissioners for fiscal year 1990-91 shall provide local current expense funding to the Public Schools of Robeson County at at least seventy percent (70%) of the average local funding per ADM in the State based on appropriations, in accordance with the most recent figures available from the State Board of Education as of January 1 of the year in which the budget is adopted. The progressive percentage increases provided for in subsection (a) of this section shall not begin until fiscal year 1991-92.

(c) Effective July 1, 1991, the Robeson County Board of Commissioners shall appropriate for current expenses and capital outlay each fiscal year to the Public Schools of Robeson County, amounts to be calculated as follows:

(1) The equivalent dollars that would be yielded from the application of a 49 cent (49¢) tax rate per one hundred dollars ($100.00) to the ad valorem tax base of Robeson County (based upon the projected yield per penny).

(2) In the event the 49 cent (49¢) tax rate established in subdivision (1) above does not produce the equivalent dollars that the Robeson County Commissioners appropriated to the Public Schools of Robeson County during fiscal year 1990-91, then the Robeson County Commissioners shall continue to fund the schools at the 1990-91 level until such time that the appropriation is exceeded by the method of calculation as outlined in subdivision (1) above.

(3) The Public Schools of Robeson County may as provided by North Carolina law, transfer monies between Current Expense and Capital Outlay as the needs may dictate. Any transfer of funds between these accounts must occur after their appropriation by the Robeson County Commissioners, and any such transfers must be approved by an affirmative vote of the Robeson County Board of Commissioners.

In those years that the County Ad Valorem Tax Base is revaluated, the new tax rate for schools shall be determined by dividing the prior year Budget Appropriation by the projected revalued yield rate per penny. That rate shall remain in effect until a subsequent revaluation shall require new rates to be calculated. The new Budget Appropriation for the year in which revaluation takes effect, shall be determined by multiplying the new rate times the projected yield per penny after revaluation and adding a two percent (2%) growth factor.

In the event a revaluation results in a decrease in the tax base as compared to the year prior to the year in which revaluation goes into effect, then there shall be no adjustment to the tax rate for schools.

Nothing contained herein shall be interpreted to limit the appropriations made for current expenses or for Capital Outlay by the Robeson County Board of Commissioners to the Public Schools of Robeson County. The Robeson County Board of Commissioners may appropriate any amounts over and above the minimum established by this section.

(d) Effective July 1, 1992, the Robeson County Board of Commissioners shall appropriate for current expenses and capital outlay each fiscal year to the Public Schools of Robeson County, amounts to be calculated as follows:

(1) The amount that would be yielded from the application of a 49 cent (49¢) tax rate per one hundred dollars ($100.00) to the ad valorem tax base of Robeson County (based upon the projected yield per penny), or nine million eight hundred eleven thousand five hundred forty-nine dollars and ninety-six cents ($9,811,549.96), whichever is the greater sum.

(2) The Public Schools of Robeson County may, as provided by North Carolina law, transfer monies between Current Expense and Capital Outlay as the needs may dictate. Any transfer of funds between these accounts must occur after their appropriation by the Robeson County Commissioners, and any such transfers must be approved by an affirmative vote of the Robeson County Board of Commissioners.

In those years that the County Ad Valorem Tax Base is revaluated, the new tax rate for schools shall be determined by dividing the prior year Budget Appropriation by the projected revalued yield rate per penny. That rate shall remain in effect until a subsequent revaluation shall require new rates to be calculated. The new Budget Appropriation for the year in which revaluation takes effect shall be determined by multiplying the new rate times the projected yield per penny after revaluation and adding a two percent (2%) growth factor.

In the event a revaluation results in a decrease in the tax base as compared to the year in which revaluation goes into effect, then there shall be no adjustment to the tax rate for schools.

Nothing contained herein shall be interpreted to limit the appropriations made for current expenses or for Capital Outlay by the Robeson County Board of Commissioners to the Public Schools of Robeson County. The Robeson County Board of Commissioners may appropriate any amounts over and above the minimum established by this section."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

S.B. 1168 **CHAPTER 958**

AN ACT TO REMOVE THE CITY OF CONCORD'S LOCAL MODIFICATIONS TO G.S. 58-84-30 AND G.S. 58-84-35.

The General Assembly of North Carolina enacts:

Section 1. Chapter 3 of Article V of the Charter of the City of Concord, as revised and consolidated by Chapter 861 of the 1985 Session Laws, Regular Session 1986, is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

S.B. 1235 **CHAPTER 959**

AN ACT TO CHANGE THE NAME OF THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT, AND TO MAKE TECHNICAL AND CONFORMING AMENDMENTS TO VARIOUS LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-79.5(a) reads as rewritten:

"(a) Plates. -- The State government officials listed in this section are eligible for a special registration plate under G.S. 20-79.4. The plate shall bear the number designated in the following table for the position held by the official.

Position	Number on Plate
Governor	1
Lieutenant Governor	2
Speaker of the House of Representatives	3
President Pro Tempore of the Senate	4
Secretary of State	5
State Auditor	6
State Treasurer	7
Superintendent of Public Instruction	8
Attorney General	9
Commissioner of Agriculture	10
Commissioner of Labor	11
Commissioner of Insurance	12
Speaker Pro Tempore of the House	13
Legislative Administrative Officer	14

Secretary of Administration	15
Secretary of Environment, Health, and Natural Resources	16
Secretary of Revenue	17
Secretary of Human Resources	18
Secretary of ~~Economic and Community Development~~ Commerce	19
Secretary of Correction	20
Secretary of Cultural Resources	21
Secretary of Crime Control and Public Safety	22
Governor's Staff	23-29
State Budget Officer	30
State Personnel Director	31
Advisory Budget Commission Nonlegislative Member	32-41
Chair of the State Board of Education	42
President of the U.N.C. System	43
Alcoholic Beverage Control Commission	44-46
Assistant Commissioners of Agriculture	47-48
Deputy Secretary of State	49
Deputy State Treasurer	50
Assistant State Treasurer	51
Deputy Commissioner for the Department of Labor	52
Chief Deputy for the Department of Insurance	53
Assistant Commissioner of Insurance	54
Deputies and Assistant to the Attorney General	55-65
Board of Economic Development Nonlegislative Member	66-88
State Ports Authority Nonlegislative Member	89-96
Utilities Commission Member	97-104
Parole Commission Member	105-109
State Board Member, Commission Member, or State Employee Not Named in List	110-200".

Sec. 2. G.S. 20-79.7(c) reads as rewritten:

"(c) Use of Remaining Proceeds. -- The remaining revenue in the Fund shall be transferred quarterly as follows:

(1) Thirty-three percent (33%) to the account of the Department of ~~Economic and Community Development~~ Commerce to aid in financing out-of-state print and other media advertising

under the program for the promotion of travel and industrial development in this State.

(2) Fifty percent (50%) to the Department of Transportation to be used solely for the purpose of beautification of highways other than those designated as interstate. These funds shall be administered by the Department of Transportation for beautification purposes not inconsistent with good landscaping and engineering principles.

(3) Seventeen percent (17%) to the account of the Department of Human Resources to promote travel accessibility for disabled persons in this State. These funds shall be used to collect and update site information on travel attractions designated by the Department of ~~Economic and Community Development~~ Commerce in its publications, to provide technical assistance to travel attractions concerning accommodation of disabled tourists, and to develop, print, and promote the publication ACCESS NORTH CAROLINA as provided in G.S.168-2. Any funds allocated for these purposes that are neither spent nor obligated at the end of the fiscal year shall be transferred to the Department of Administration for removal of man-made barriers to disabled travelers at State-funded travel attractions. Guidelines for the removal of man-made barriers shall be developed in consultation with the Department of Human Resources."

Sec. 3. G.S. 54-109.10 reads as rewritten:

"*§ 54-109.10. Creation and supervision of Division.*

There shall be established in the North Carolina Department of ~~Economic and Community Development~~ Commerce a Credit Union Division which shall be under the supervision of ~~[the]~~ the Administrator of Credit Unions appointed by the Secretary of ~~Economic and Community Development.~~ Commerce. The Credit Union Division and the Administrator of Credit Unions shall be under the general direction and supervision of the Secretary of ~~Economic and Community Development,~~ Commerce, and there shall be such assistants to the Administrator of Credit Unions as may be necessary and the salaries of the Administrator and assistants shall be fixed by the State Personnel Council."

Sec. 4. G.S. 54-109.11(1) reads as rewritten:

"(1) To organize and conduct in the State Department of ~~Economic and Community Development,~~ Commerce, a bureau of information in regard to cooperative associations and rural and industrial credits."

Sec. 4.1. G.S. 54-109.11(4) reads as rewritten:

"(4) To examine at least once a year, and oftener if such examination be deemed necessary by the Administrator or his assistant, the credit unions formed under this Article. A report of such examination shall be filed with the State Department of ~~Economic and Community Development,~~ Commerce, and a copy mailed to the credit union at its proper address."

Sec. 5. G.S. 54B-4(b)(14) reads as rewritten:

"(14) 'Commission' means the North Carolina Savings Institutions Commission of the Department of ~~Economic and Community Development.~~ Commerce."

Sec. 5.1. G.S. 54B-4(b)(21) reads as rewritten:

"(21) 'Division' means the Savings Institutions Division of the North Carolina Department of ~~Economic and Community Development.~~ Commerce."

Sec. 6. G.S. 54B-53(f) reads as rewritten:

"(f) The relationship between the Secretary of ~~Economic and Community Development~~ Commerce and the Savings Institutions Commission shall be as defined for a Type II transfer under Chapter 143A of the General Statutes."

Sec. 7. G.S. 54B-237(b) reads as rewritten:

"(b) Articles of incorporation of a guaranty association shall be filed in the office of the Secretary of State. The Secretary of State shall, upon receipt of such articles, transmit a copy of them to the Secretary of ~~Economic and Community Development~~ Commerce and shall not record them until authorized to do so by the Secretary of ~~Economic and Community Development.~~ Commerce."

Sec. 8. G.S. 54B-238 reads as rewritten:

"*§ 54B-238. Examination and certification by Secretary of ~~Economic and Community Development.~~ Commerce.*

(a) Upon receipt from the Secretary of State of a copy of the articles of incorporation of a proposed guaranty association, the Secretary of ~~Economic and Community Development~~ Commerce shall at once examine all the facts connected with the formation of the proposed corporation. If the articles of incorporation are correct in form and substance and the examination shows that such corporation, if formed, would be entitled to commence the business of a guaranty association, the Secretary of ~~Economic and Community Development~~ Commerce shall so certify to the Secretary of State.

(b) The Secretary of ~~Economic and Community Development~~ Commerce may refuse to make such certification if upon examination he has reason to believe the proposed corporation is to be formed for any business other than assuring the liquidity of member institutions and guaranteeing deposits therein, if upon examination he has reason

to believe that the character and general fitness of the incorporators are not such as to command the confidence of the general public or if the best interests of the public will not be promoted by its establishment."

Sec. 9. G.S. 54B-239 reads as rewritten:

"*§ 54B-239. Recordation of articles of incorporation.*

Upon receipt of the certification provided for in G.S. 54B-238, the Secretary of State shall record the articles of incorporation of such guaranty association and furnish a certified copy thereof to the incorporators and to the Secretary of ~~Economic and Community Development.~~ Commerce. Upon such recordation, such association shall be deemed a corporation. All papers thereafter filed in the office of the Secretary of State relating to such corporation shall be recorded as provided by law and a certified copy forwarded to the Secretary of ~~Economic and Community Development.~~ Commerce."

Sec. 10. G.S. 54B-240 reads as rewritten:

"*§ 54B-240. Proposed amendments submitted to Secretary of ~~Economic and Community Development.~~ Commerce.*

Any proposed amendments to the articles of incorporation of a mutual deposit guaranty association shall be filed in the office of the Secretary of State, who shall forward a copy thereof to the Secretary of ~~Economic and Community Development,~~ Commerce, and shall not record the amendments until authorized to do so by certification of the Secretary of ~~Economic and Community Development.~~ Commerce."

Sec. 11. G.S. 54B-241 reads as rewritten:

"*§ 54B-241. Examination and certification of amendments.*

(a) Upon receipt from the Secretary of State of a copy of proposed amendments to the articles of incorporation of a mutual deposit guaranty association, the Secretary of ~~Economic and Community Development~~ Commerce shall at once examine the proposed amendments to determine their effect on the operation of the guaranty association.

(b) In the event the proposed amendments are correct in form and substance and the examination shows that if adopted they would not change the character or principal business of the guaranty association, the Secretary of ~~Economic and Community Development~~ Commerce shall so certify to the Secretary of State.

(c) The Secretary of ~~Economic and Community Development~~ Commerce may refuse to make certification if upon examination he has reason to believe that the proposed amendments would change the character of the business of the guaranty association or that the best interests of the public will not be promoted by their adoption."

Sec. 12. G.S. 54B-242 reads as rewritten:

"*§ 54B-242. Recordation of amendments.*

Upon receipt of the certification provided for in G.S. 54B-241, the Secretary of State shall record the amendments to the articles of incorporation and furnish a certified copy thereof to the mutual deposit guaranty association and to the Secretary of ~~Economic and Community Development.~~ Commerce."

Sec. 13. G.S. 54B-245 reads as rewritten:

"*§ 54B-245. Filing of semiannual financial reports; fees.*

Each mutual deposit guaranty association shall on the 30th day of June and the 31st day of December of each year, or within 40 days thereafter, file with the Secretary of ~~Economic and Community Development~~ Commerce a report for the preceding half year, showing its financial condition at the end thereof. Such reports shall be in such form and contain such information as may be prescribed by the Secretary of ~~Economic and Community Development.~~ Commerce. Each guaranty association doing business in this State shall pay to the Secretary of ~~Economic and Community Development,~~ Commerce, at the time of filing each semiannual report required by this section, the sum of five dollars ($5.00). All such fees shall be paid into the State treasury to the credit of the general fund."

Sec. 14. G.S. 54B-246 reads as rewritten:

"*§ 54B-246. Supervision by Secretary of ~~Economic and Community Development,~~ Commerce.*

(a) In addition to any and all other powers, duties and functions vested in the Secretary of ~~Economic and Community Development~~ Commerce under the provisions of this Article, and for the protection of member institutions and the general public, the Secretary of ~~Economic and Community Development~~ Commerce shall have general control and supervision over all mutual deposit guaranty associations doing business in this State. Mutual deposit guaranty associations shall be subject to the control and supervision of the Secretary of ~~Economic and Community Development~~ Commerce as to their conduct, organization, management, business practices, reserve requirements and their financial and fiscal matters. The grant of general control and supervision over mutual deposit guaranty associations to the Secretary of ~~Economic and Community Development~~ Commerce by this Article shall in no way be deemed to affect the existing powers, duties and responsibilities of the Credit Union Commission, the Commissioner of Banks, the State Banking Commission or the North Carolina Savings Institutions Commission except for the removal herein of general control and supervision over mutual deposit guaranty associations from the Administrator of the Savings Institutions Division to the Secretary of ~~Economic and Community Development.~~ Commerce.

(b) The Secretary of ~~Economic and Community Development~~ Commerce shall have the right, and is hereby empowered to issue rules and regulations whenever he deems it necessary for the administration of this Article as well as rules and regulations with respect to:

(1) Types of financial records to be maintained by mutual deposit guaranty associations;
(2) Retention periods of various financial records;
(3) Internal control procedures of mutual deposit guaranty associations;
(4) Conduct and management of mutual deposit guaranty associations;
(5) Additional reports which may be required by the Secretary of ~~Economic and Community Development.~~ Commerce.

It shall be the duty of the board of directors or board of trustees of the mutual deposit guaranty association to put into effect and to carry out such rules and regulations.

(c) At least once each year the Secretary of ~~Economic and Community Development~~ Commerce shall make or cause to be made an examination into the affairs of each mutual deposit guaranty association doing business in this State. The Administrator of the Credit Union Division of this State, in his capacity as supervisor of state-chartered credit unions, if he deems it necessary, may designate agents to participate in such examination. The Administrator, in his capacity as supervisor of State chartered savings and loan associations, may designate agents to participate in such examination. The expenses of such yearly examination shall be paid by the mutual deposit guaranty association so examined."

Sec. 15. G.S. 54B-247 reads as rewritten:

"*§ 54B-247. Special examinations.*

Whenever the Secretary of ~~Economic and Community Development~~ Commerce deems it necessary, he may make or cause to be made a special examination or audit of any mutual deposit guaranty association doing business in this State, in addition to the regular examination provided for by this Article. The expenses of such a special examination or audit shall be paid by the mutual deposit guaranty association so examined."

Sec. 16. G.S. 54B-248 reads as rewritten:

"*§ 54B-248. Right to enter and to conduct investigations.*

The Secretary of ~~Economic and Community Development~~ Commerce or any examiner appointed by him shall have access to and may compel the production of all books, papers, securities, moneys, and other property of a mutual deposit guaranty association under

examination by him. He may administer oaths to and examine the officers and agents of such association as to its affairs."

Sec. 17. G.S. 54B-249 reads as rewritten:

"§ *54B-249. Removal of officers or employees.*

The Secretary of ~~Economic and Community Development~~ Commerce shall have the right, and is hereby empowered, to require the board of directors or board of trustees of any guaranty association to immediately remove from office any officer, director, trustee or employee of any mutual deposit guaranty association doing business in this State, who shall be found by the Secretary of ~~Economic and Community Development~~ Commerce to be dishonest, incompetent, or reckless in the management of the affairs of the mutual deposit guaranty association, or in violation of the lawful orders, rules and regulations issued by the Secretary of ~~Economic and Community Development,~~ Commerce, or who violates any of the laws set forth in Chapter 54B of the General Statutes."

Sec. 18. G.S. 62-102(b) reads as rewritten:

"(b) Within 10 days of filing the application, the applicant shall serve a copy of it on each of the following in the manner provided in G.S. 1A-1, Rule 4:

(1) The Public Staff;
(2) The Attorney General;
(3) The Department of Environment, Health, and Natural Resources;
(4) The Department of ~~Economic and Community Development;~~ Commerce;
(5) The Department of Transportation;
(6) The Department of Agriculture;
(7) The Department of Cultural Resources;
(8) Each county through which the applicant proposes to construct the transmission line;
(9) Each municipality through whose jurisdiction the applicant proposes to construct the transmission line; and
(10) Any other party that the Commission orders the applicant to serve.

The copy of the application served on each shall be accompanied by a notice specifying the date on which the application was filed."

Sec. 19. G.S. 65-49 reads as rewritten:

"§ *65-49. The North Carolina Cemetery Commission.*

There is hereby established in the Department of ~~Economic and Community Development~~ Commerce a North Carolina Cemetery Commission with the power and duty to adopt rules and regulations to be followed in the enforcement of this Article."

Sec. 20. G.S. 105-130.40 reads as rewritten:

"*§ 105-130.40. Credit for creating jobs in severely distressed county.*

(a) Credit. -- A corporation that (i) for at least 40 weeks during the year has at least nine employees and (ii) is located, for part or all of its taxable year, in a severely distressed county may qualify for a credit against the tax imposed by this Division by creating new full-time jobs with the corporation in the severely distressed county during that year. A corporation that hires an additional full-time employee during that year to fill a position located in a severely distressed county is allowed a credit of two thousand eight hundred dollars ($2,800) for the additional employee. A position is located in a county if (i) at least fifty percent (50%) of the employee's duties are performed in the county, or (ii) the employee is a resident of the county. The credit may not be taken in the income year in which the additional employee is hired. Instead, the credit shall be taken in equal installments over the four years following the income year in which the additional employee was hired and shall be conditioned on the continued employment by the corporation of the number of full-time employees the corporation had upon hiring the employee that caused the corporation to qualify for the credit. If, in one of the four years in which the installment of a credit accrues, the number of the corporation's full-time employees falls below the number of full-time employees the company had in the year in which the corporation qualified for the credit or the position filled by the employee is moved to another county, the credit expires and the corporation may not take any remaining installment of the credit. The corporation may, however, take the portion of an installment that accrued in a previous year and was carried forward to the extent permitted under subsection (e) of this section.

For the purposes of this section, a full-time job is a position that requires at least 1,600 hours of work per year and is intended to be held by one employee during the entire year. A full-time employee is an employee who holds a full-time job.

(b) Repealed by Session Laws 1989, c. 111, s. 1.

(b1) Eligibility. -- A corporation is eligible for the tax credit allowed by this section only if it obtained a credit under this section for taxable year 1988 or the Department of ~~Economic and Community Development~~ Commerce determines that it engages in the manufacturing of goods, or that it engages in an industrial activity such as the processing of foods, raw materials, chemicals and process agents, goods in process, or finished products.

(c) County Designation. -- A severely distressed county is a county designated as severely distressed by the Secretary of ~~Economic and Community Development.~~ Commerce. Each year, on or before December 31, the Secretary of ~~Economic and Community~~

~~Development~~ Commerce shall designate which counties are considered severely distressed, and shall provide that information to the Secretary of Revenue. A county is considered severely distressed if its distress factor is one of the thirty-three highest in the State. The Secretary shall assign to each county in the State a distress factor that is the sum of the following:

(1) The county's rank in a ranking of counties by rate of unemployment from lowest to highest.
(2) The county's rank in a ranking of counties by per capita income from highest to lowest.
(3) The county's rank in a ranking of counties by percentage growth in population from lowest to highest.

In measuring rates of unemployment and per capita income, the Secretary shall use the latest available data published by a State or federal agency generally recognized as having expertise concerning the data. In measuring population growth, the Secretary shall use the most recent estimates of population certified by the State Budget Officer. A designation as a severely distressed county is effective only for the calendar year following the designation.

(d) Planned Expansion. -- A corporation that, during the year in which a county is designated as a severely distressed county, signs a letter of commitment with the Department of ~~Economic and Community Development~~ Commerce to create at least twenty new full-time jobs in that distressed county within two years of the date the letter is signed qualifies for the credit allowed by this section even though the employees are not hired that year. The credit shall be available in the income year after at least twenty employees have been hired if such hirings are within the two-year commitment period. The conditions outlined in subsection (a) apply to a credit taken under this subsection except that if the county is no longer designated a severely distressed county after the year the letter of commitment was signed, the credit is still available. If the corporation does not hire the employees within the two-year period, the corporation does not qualify for the credit. However, if the corporation qualifies for a credit under subsection (a) in the year any new employees are hired, it may take the credit under that subsection.

(e) Limitations. -- The sale, merger, acquisition, or bankruptcy of a business, or any other transaction by which an existing business reformulates itself as another business, does not create new eligibility in a succeeding business with respect to jobs for which the predecessor was not eligible under this section. A successor corporation may, however, take any installment of or carried-over portion of a credit that its predecessor could have taken if it had taxable income. Jobs transferred from one county in the State to

another county in the State shall not be considered new jobs for purposes of this section. A credit taken under this section may not exceed fifty percent (50%) of the tax imposed by this Division for the taxable year, reduced by the sum of all other credits allowed under this Division, except tax payments made by or on behalf of the corporation. Any unused portion of the credit may be carried forward for the succeeding five years.

(f) Substantiation. -- Every corporation claiming the credit provided in subsection (a) shall maintain and make available for inspection by the Secretary of Revenue or his agent such records as may be necessary to determine and verify the amount of the credit to which it is entitled. The burden of proving eligibility for the credit and the amount of the credit shall rest upon the corporation, and no credit shall be allowed to a corporation that fails to maintain adequate records or to make them available for inspection."

Sec. 21. G.S. 105-151.17 reads as rewritten:

"*§ 105-151.17. Credit for creating jobs in severely distressed county.*

(a) Credit. -- A person who (i) for at least 40 weeks during the year has at least nine employees and (ii) whose business is located, for part or all of his taxable year, in a severely distressed county may qualify for a credit against the tax imposed by this Division by creating new full-time jobs with the business in the severely distressed county during that year. A person who hires an additional full-time employee during that year to fill a position located in a severely distressed county is allowed a credit of two thousand eight hundred dollars ($2,800) for the additional employee. A position is located in a county if (i) at least fifty percent (50%) of the employee's duties are performed in the county, or (ii) the employee is a resident of the county. The credit may not be taken in the income year in which the additional employee is hired. Instead, the credit shall be taken in equal installments over the four years following the income year in which the additional employee was hired and shall be conditioned on the continued employment by the taxpayer of the number of full-time employees the taxpayer had upon hiring the employee that caused the taxpayer to qualify for the credit. If, in one of the four years in which the installment of a credit accrues, the number of the taxpayer's full-time employees falls below the number of full-time employees the taxpayer had in the year in which the taxpayer qualified for the credit or the position filled by the employee is moved to another county, the credit expires and the taxpayer may not take any remaining installment of the credit. The taxpayer may, however, take the portion of an installment that accrued in a previous year and was carried forward to the extent permitted under subsection (e) of this section.

For the purposes of this section, a full-time job is a position that requires at least 1,600 hours of work per year and is intended to be held by one employee during the entire year. A full-time employee is an employee who holds a full-time job.

(b) Repealed by Session Laws 1989, c. 111, s. 2.

(b1) Eligibility. -- A taxpayer is eligible for the tax credit allowed by this section only if the taxpayer obtained a credit under this section for taxable year 1988 or the Department of ~~Economic and Community Development~~ Commerce determines that the taxpayer engages in the manufacturing of goods, or that he engages in an industrial activity such as the processing of foods, raw materials, chemicals and process agents, goods in process, or of finished products.

(c) County Designation. -- A severely distressed county is a county designated as severely distressed by the Secretary of ~~Economic and Community Development.~~ Commerce. Each year, on or before December 31, the Secretary of ~~Economic and Community Development~~ Commerce shall designate which counties are considered severely distressed, and shall provide that information to the Secretary of Revenue. A county is considered severely distressed if its distress factor is one of the thirty-three highest in the State. The Secretary shall assign to each county in the State a distress factor that is the sum of the following:

(1) The county's rank in a ranking of counties by rate of unemployment from lowest to highest.

(2) The county's rank in a ranking of counties by per capita income from highest to lowest.

(3) The county's rank in a ranking of counties by percentage growth in population from lowest to highest.

In measuring rates of unemployment and per capita income, the Secretary shall use the latest available data published by a State or federal agency generally recognized as having expertise concerning the data. In measuring population growth, the Secretary shall use the most recent estimates of population certified by the State Budget Officer. A designation as a severely distressed county is effective only for the calendar year following the designation.

(d) Planned Expansion. -- A person who, during the year in which a county is designated as a severely distressed county, signs a letter of commitment with the Department of ~~Economic and Community Development~~ Commerce to create at least twenty new full-time jobs in that distressed county within two years of the date the letter is signed qualifies for the credit allowed by this section even though the employees are not hired that year. The credit shall be available in the income year after at least twenty employees have been hired if such hirings are within the two-year commitment period. The conditions

outlined in subsection (a) apply to a credit taken under this subsection, except that if the county is no longer designated a severely distressed county after the year the letter of commitment was signed, the credit is still available. If the taxpayer does not hire the employees within the two-year period, he does not qualify for the credit. However, if the taxpayer qualifies for a credit under subsection (a) in the year any new employees are hired, he may take the credit under that subsection.

(e) Limitations. -- The sale, merger, acquisition, or bankruptcy of a business, or any other transaction by which an existing business reformulates itself as another business, does not create new eligibility in a succeeding business with respect to jobs for which the predecessor was not eligible under this section. A taxpayer may, however, take any installment of or carried-over portion of a credit that his predecessor could have taken if he had taxable income. Jobs transferred from one county in the State to another county in the State shall not be considered new jobs for purposes of this section. A credit taken under this section may not exceed fifty percent (50%) of the tax imposed by this Division for the taxable year, reduced by the sum of all other credits allowed under this Division, except tax payments made by or on behalf of the taxpayer. Any unused portion of the credit may be carried forward for the succeeding five years.

(f) Substantiation. -- Every person claiming the credit provided in subsection (a) shall maintain and make available for inspection by the Secretary of Revenue or his agent such records as may be necessary to determine and verify the amount of the credit to which the person is entitled. The burden of proving eligibility for the credit and the amount of the credit shall rest upon the person, and no credit shall be allowed to any person who fails to maintain adequate records or to make them available for inspection."

Sec. 22. G.S. 105-228.24A reads as rewritten:

"§ *105-228.24A. Income tax credit for supervisory fees.*

Every savings and loan association is allowed a credit against the income tax imposed on it under Article 4 of this Chapter for a taxable year equal to the amount of supervisory fees, paid by the association during the taxable year, that were assessed by the Administrator of the Savings Institutions Division of the Department of ~~Economic and Community Development~~ Commerce for the State fiscal year beginning on or during that taxable year. This credit may not exceed the amount of income tax payable by the association for the taxable year for which the credit is claimed, reduced by the sum of all income tax credits allowed against the tax, except tax payments made by or on behalf of the association. The supervisory fees shall not be an allowable deduction in determining taxable income for any association claiming the credit allowed under this section."

Sec. 23. G.S. 113-315.25(d) reads as rewritten:

"(d) The Secretary of ~~Economic and Community Development~~ Commerce is authorized to appoint such number of employees of the Authority as he may think proper as special policemen, who, when so appointed, shall have within the jurisdiction of the Authority all the powers of policemen of incorporated towns. Special policemen may arrest persons who violate State law or a rule adopted by the Authority. Employees appointed as such special policemen shall take the general oath of office prescribed by G.S. 11-11."

Sec. 24. G.S. 113-315.26 reads as rewritten:

"§ *113-315.26. Personnel.*

The Secretary of ~~Economic and Community Development~~ Commerce shall appoint such personnel as deemed necessary who shall serve at the pleasure of the Secretary of ~~Economic and Community Development.~~ Commerce. The Secretary of ~~Economic and Community Development~~ Commerce shall have the power to appoint, employ and dismiss such number of employees as he may deem necessary to accomplish the purposes of this Article subject to the availability of funds. It is recommended that, to the fullest extent possible, the Secretary of ~~Economic and Community Development~~ Commerce consult with the Authority on matters of personnel."

Sec. 25. G.S. 113-315.34(d) reads as rewritten:

"(d) The Secretary of ~~Economic and Community Development~~ Commerce is authorized to appoint such number of employees of the Authority as he may think proper as special policemen, who, when so appointed, shall have within the jurisdiction of the Authority all the powers of policemen of incorporated towns. Special policemen may arrest persons who violate State law or a rule adopted by the Authority. Employees appointed as such special policemen shall take the general oath of office prescribed by G.S. 11-11."

Sec. 26. G.S. 113A-105(b) reads as rewritten:

"(b) The Coastal Resources Advisory Council shall consist of not more than 47 members appointed or designated as follows:

(1) Two individuals designated by the Secretary from among the employees of his Department;

(1a) The Secretary of the Department of ~~Economic and Community Development~~ Commerce or his designee;

(2) The Secretary of the Department of Administration or his designee;

(3) The Secretary of the Department of Transportation and Highway Safety or his designee, and one additional member selected by him from his Department;

(4) The State Health Director;

(5) The Commissioner of Agriculture or his designee;

(6) The Secretary of the Department of Cultural Resources or his designee;

(7) One member from each of the four multi-county planning districts of the coastal area to be appointed by the lead regional agency of each district;

(8) One representative from each of the counties in the coastal area to be designated by the respective boards of county commissioners;

(9) No more than eight additional members representative of cities in the coastal area and to be designated by the Commission;

(10) Three members selected by the Commission who are marine scientists or technologists;

(11) One member who is a local health director selected by the Commission upon the recommendation of the Secretary."

Sec. 27. G.S. 113B-3(a) reads as rewritten:

"(a) The Energy Policy Council shall consist of 18 members to be appointed as follows:

(1) Two members of the North Carolina House of Representatives to be appointed by the Speaker of the House of Representatives;

(2) Two members of the North Carolina Senate to be appointed by the President Pro Tempore of the Senate;

(3) Nine public members who are citizens of the State of North Carolina to be appointed by the Governor;

(4) The chairman of the North Carolina Utilities Commission, the Secretary of Environment, Health, and Natural Resources, the Commissioner of Agriculture, the Secretary of ~~Economic and Community Development~~ Commerce and the Secretary of Administration or their designees from their respective departments."

Sec. 28. G.S. 113B-11 reads as rewritten:

"§ *113B-11. Powers and authority.*

(a) The Energy Policy Council is authorized to secure directly from any officer, office, department, commission, board, bureau, institution and other agency of the State and its political subdivisions any information it deems necessary to carry out its functions; and all such officers and agencies shall cooperate with the Council and, to the extent permitted by law, furnish such information to the Council as it may request.

(b) To assure the adequate development of relevant energy information, as provided in G.S. 113B-10, the Council may require all energy producers and major energy consumers, as determined by the Council, to file such reports and forecasts and at such dates as the

Council may request; provided, however, that the Council may request only specific energy-related information which it deems necessary to carry out its duties as defined in Articles 1 and 2 of this Chapter.

(c) The Council shall have authority to apply for and utilize grants, contributions and appropriations in order to carry out its duties as defined in Articles 1 and 2 of this Chapter, provided, however, that all such applications and requests are made through and administered by the Department of ~~Economic and Community Development,~~ Commerce.

(d) The Council shall have authority to request said ~~Division [Department]~~ Department to allocate and dispense any funds made available to the Council for energy research and related work efforts in such a manner as the Council desires subject only to the stipulation that said funds be reasonably used in furtherance of the purposes of this Article.

(e) The Energy Division of the Department of ~~Economic and Community Development~~ Commerce shall provide the staffing capability to the Energy Policy Council so as to fully and effectively develop recommendations for a comprehensive State energy policy as contained in the provisions of this Article. The Utilities Commission is hereby authorized to make its staff available to the Council to assist in the development of a State energy policy."

Sec. 29. G.S. 114-4.2D reads as rewritten:

"§ *114-4.2D. Employment of attorney for Energy Division of Department of ~~Economic and Community Development.~~ Commerce.*

The Attorney General shall assign an attorney on his staff to work full time with the Energy Division of the Department of ~~Economic and Community Development.~~ Commerce. Such attorney shall be subject to all provisions of Chapter 126 of the General Statutes relating to the State Personnel System. Such attorney shall also perform such additional duties as may be assigned to him by the Attorney General."

Sec. 30. G.S. 121-4(15) reads as rewritten:

"(15) To encourage and develop, in cooperation with the Department of Administration and in consultation with the Department of Transportation, the Department of ~~Economic and Community Development,~~ Commerce, the Department of Environment, Health, and Natural Resources, the North Carolina League of Municipalities, the North Carolina Association of County Commissioners, and the Historic Preservation Foundation of North Carolina, Inc., a central clearinghouse for information on historic preservation for the benefit and use of public and private agencies and persons in North Carolina."

Sec. 31. G.S. 122E-4(b) reads as rewritten:

"(b) The Partnership shall consist of 13 members as follows:

(1) The Executive Director of the North Carolina Housing Finance Agency shall serve ex officio;

(2) The Secretary of the Department of ~~Economic and Community Development~~ Commerce or his designee shall serve ex officio;

(3) The State Treasurer or his designee shall serve ex officio;

(4) In accordance with G.S. 120-121, five members shall be appointed by the General Assembly upon the recommendation of the President of the Senate, provided that one member shall be a representative of the homebuilding industry, one member shall be a low income housing advocate, and one member shall be a representative of the League of Municipalities;

(5) In accordance with G.S. 120-121, five members shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, provided that one member shall be a representative of the real estate lending industry; one member shall be a representative of a non-profit housing development corporation; and one member shall be a resident of low income housing.

The members of the Partnership shall elect one of their members to serve as Chairman for a term of one year. Seven members of the Partnership shall constitute a quorum. All members shall have the right to vote on all issues before the Partnership."

Sec. 32. G.S. 130A-309.14 reads as rewritten:

"*§ 130A-309.14. Duties of State agencies.*

(a) It shall be the duty of each State agency, the General Assembly, the General Court of Justice, and The University of North Carolina, by 1 January 1992, to:

(1) Establish a program in cooperation with the Department and the Department of Administration, for the collection of all recyclable aluminum and wastepaper materials generated in State offices throughout the State, including, at a minimum, high-grade office paper and corrugated paper.

(2) Provide procedures for collecting and storing recyclable materials, containers for storing materials, and contractual or other arrangements with buyers of the recyclable materials.

(3) Evaluate the amount of recyclable wastepaper material recycled and make all necessary modifications to the recycling program to ensure that all recyclable wastepaper materials are effectively and practically recycled.

(4) Establish and implement, in cooperation with the Department and the Department of Administration, a solid waste reduction program for materials used in the course of agency operations. The program shall be designed and implemented to achieve maximum feasible reduction of solid waste generated as a result of agency operations.

(b) The Department of ~~Economic and Community Development~~ Commerce shall assist and encourage the recycling industry in the State. Assistance and encouragement of the recycling industry shall include:

(1) Identifying and analyzing, in cooperation with the Department, components of the State's recycling industry and present and potential markets for recyclable materials in this State, other states, and foreign countries;

(2) Providing information on the availability and benefits of using recycled materials to businesses and industries in the State; and

(3) Distributing any material prepared in implementing this section to the public, businesses, industries, units of local government, or other organizations upon request.

(c) By 1 March 1991, and every other year thereafter, the Department of ~~Economic and Community Development~~ Commerce shall prepare a report assessing the recycling industry and recyclable materials markets in the State.

(d) The Department of ~~Economic and Community Development~~ Commerce shall investigate the potential markets for composted materials and shall submit its findings to the Department for the waste registry informational program administered by the Department in order to stimulate absorption of available composted materials into such markets.

(e) On or before 1 March 1991, the Department of ~~Economic and Community Development~~ Commerce shall report to the General Assembly its findings relative to:

(1) Potential markets for composted materials, including private and public sector markets;

(2) The types of materials which may legally and effectively be used in a successful composting operation; and

(3) The manner in which the composted materials should be marketed for optimum use.

(f)(1) All State agencies, including the Department of Transportation and the Department of Administration, and units of local government are required to procure compost products when they can be substituted for, and cost no more than, regular soil amendment products, provided the

compost products meet all applicable engineering and environmental quality standards, specifications, and rules. This product preference shall apply to, but not be limited to, highway construction and maintenance projects, highway planting and beautification projects, recultivation and erosion control programs, and other projects.

(2) The Department of Transportation shall, consistent with economic feasibility and applicable engineering and environmental quality standards, use scrap tires, demolition debris, and untreated, stabilized, or encapsulated ash from boilers and incinerators in highway construction and maintenance projects.

(g) The Department of Public Instruction, with the assistance of the Department and The University of North Carolina, shall develop, distribute, and encourage the use of guidelines for the collection of recyclable materials and for solid waste reduction in the State system of education. At a minimum, the guidelines shall address solid waste generated in administrative offices, classrooms, dormitories, and cafeterias. The guidelines shall be developed by 1 January 1991.

(h) In order to orient students and their families to the recycling of waste and to encourage the participation of schools, communities, and families in recycling programs, the school board of each school district in the State shall make available an awareness program in the recycling of waste materials. The program shall be provided at both the elementary and secondary levels of education.

(i) The Department of Public Instruction is directed to develop, from funds appropriated for environmental education, curriculum materials and resource guides for a recycling awareness program for instruction at the elementary, middle, and high school levels."

Sec. 33. G.S. 130B-6(a) reads as rewritten:

"(a) Creation. -- The North Carolina Hazardous Waste Management Commission is hereby created as follows:

(1) The Commission shall be located within the Department of ~~Economic and Community Development.~~ Commerce. The Commission shall exercise all of its powers independently of the Secretary of ~~Economic and Community Development~~ Commerce and, notwithstanding any other provision of law, shall be subject to the direction and supervision of the Secretary of ~~Economic and Community Development~~ Commerce only with respect to the management functions of coordinating and reporting.

(2) The Commission shall continue until its existence shall be terminated by law. Upon the termination of the existence of

the Commission, all of its rights and properties shall pass to and be vested in the State.

(3) The Department of ~~Economic and Community Development~~ Commerce and the Department of Administration shall provide such technical, clerical, and other support services and personnel as the Commission may require in the performance of its functions. The Commission shall reimburse the Departments for such services from its revenues or from other funding sources."

Sec. 34. G.S. 143-166.13(a) reads as rewritten:

"(a) The following persons who are subject to the Criminal Justice Training and Standards Act are entitled to benefits under this Article:

(1) State Government Security Officers, Department of Administration;
(2) State Correctional Officers, Department of Corrections;
(3) State Probation and Parole Officers, Department of Corrections;
(4) Sworn State Law-Enforcement Officers with the power of arrest, Department of Corrections;
(5) Alcohol Law-Enforcement Agents, Department of Crime Control and Public Safety;
(6) State Highway Patrol Officers, Department of Crime Control and Public Safety;
(7) State Legislative Building Special Police, General Assembly;
(8) Sworn State Law-Enforcement Officers with the power of arrest, Department of Human Resources;
(9) Youth Correctional Officers, Department of Human Resources;
(10) Insurance Investigators, Department of Insurance;
(11) State Bureau of Investigation Officers and Agents, Department of Justice;
(12) Director and Assistant Director, License and Theft Enforcement Section, Division of Motor Vehicles, Department of Transportation;
(13) Members of License and Theft Enforcement Section, Division of Motor Vehicles, Department of Transportation, designated by the Commissioner of Motor Vehicles as either 'inspectors' or uniformed weigh station personnel;
(14) Utilities Commission Transportation Inspectors and Special Investigators;
(15) North Carolina Ports Authority Police, Department of ~~Economic and Community Development;~~ Commerce;

(16) Sworn State Law-Enforcement Officers with the power of arrest, Department of Environment, Health, and Natural Resources;

(17) Sworn State Law-Enforcement Officers with the power of arrest, Department of Crime Control and Public Safety."

Sec. 35. G.S. 143-169.2(b) reads as rewritten:

"(b) For the purposes of this Article, the term 'agency' shall mean and include, as the context may require, State department, institution, university, commission, committee, board, licensing board, division, bureau, officer or official; provided, however, the provisions of G.S. 143-169.1 shall not apply to the General Assembly, the Department of Revenue, the Department of ~~Economic and Community Development,~~ Commerce, or to the Administrative Office of the Courts and the court system, nor shall the provisions of G.S. 143-170.2 and 143-170.3 apply to the General Assembly or to the Administrative Office of the Courts and the courts system."

Sec. 36. G.S. 143A-11 reads as rewritten:

"§ *143A-11. Principal departments.*

Except as otherwise provided by this Chapter, or the State Constitution, all executive and administrative powers, duties and functions, not including those of the General Assembly and the judiciary, previously vested by law in the several State agencies, are vested in the following principal offices or departments:

(1) Office of the Governor.
(2) Office of the Lieutenant Governor.
(3) Department of the Secretary of State.
(4) Department of State Auditor.
(5) Department of State Treasurer.
(6) Department of Public Education.
(7) Department of Justice.
(8) Department of Agriculture.
(9) Department of Labor.
(10) Department of Insurance.
(11) Department of Administration.
(12) Department of Transportation.
(13) Department of Environment, Health, and Natural Resources.
(14) Repealed by Session Laws 1973, c. 476, s. 6.
(15) Department of Social Rehabilitation and Control.
(16) Department of ~~Economic and Community Development,~~ Commerce.
(17), (18) Repealed by Session Laws 1973, c. 476, s. 6.
(19) Repealed by Session Laws 1973, c. 620, s. 9."

Sec. 37. G.S. 143B-2 reads as rewritten:

"§ *143B-2. Interim applicability of the Executive Organization Act of 1973.*

The Executive Organization Act of 1973 shall be applicable only to the following named departments:

(1) Department of Cultural Resources
(2) Department of Human Resources
(3) Department of Revenue
(4) Department of Crime Control and Public Safety
(5) Department of Correction
(6) Department of Environment, Health, and Natural Resources
(7) Department of Transportation
(8) Department of Administration
(9) Department of ~~Economic and Community Development.~~ Commerce."

Sec. 38. G.S. 143B-6 reads as rewritten:

"§ *143B-6. Principal departments.*

In addition to the principal departments enumerated in the Executive Organization Act of 1971, all executive and administrative powers, duties, and functions not including those of the General Assembly and its agencies, the General Court of Justice and the administrative agencies created pursuant to Article IV of the Constitution of North Carolina, and higher education previously vested by law in the several State agencies, are vested in the following principal departments:

(1) Department of Cultural Resources
(2) Department of Human Resources
(3) Department of Revenue
(4) Department of Crime Control and Public Safety
(5) Department of Correction
(6) Department of Environment, Health, and Natural Resources
(7) Department of Transportation
(8) Department of Administration
(9) Department of ~~Economic and Community Development~~ Commerce
(10) Department of Community Colleges."

Sec. 39. G.S. 143B-74 reads as rewritten:

"§ *143B-74. U.S.S. North Carolina Battleship Commission -- members; selection; quorum; compensation.*

The U.S.S. North Carolina Battleship Commission of the Department of Cultural Resources shall consist of 18 members including the Secretary of Cultural Resources and the Secretary of ~~Economic and Community Development~~ Commerce who shall serve as voting ex officio members. The members of the Commission appointed for terms to end in 1991 shall serve for an additional two-

year period. At the end of the respective terms of office of the members of the Commission serving in 1991, their successors shall be appointed for terms of four years and until their successors are appointed and qualify. Any appointment to fill a vacancy on the Commission created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term. The provisions of the Executive Organization Act of 1973 pertaining to the residence of members of commissions shall not apply to the U.S.S. North Carolina Battleship Commission.

The Governor shall have the power to remove any member of the Commission from office for misfeasance, malfeasance, or nonfeasance in accordance with the provisions of G.S. 143B-13 of the Executive Organization Act of 1973.

The members of the Commission shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

A majority of the Commission shall constitute a quorum for the transaction of business. The Governor shall designate from among the members of the Commission a chairman, vice-chairman and treasurer. The Secretary of Cultural Resources or his designee shall serve as Secretary of the Commission. The Commission shall meet at least twice annually upon the call of the chairman, the Secretary of Cultural Resources, or any seven members of the Commission."

Sec. 40. G.S. 143B-285.12(a)(1) reads as rewritten:

"(1) Four members from State government: the Secretary or Commissioner of Environment, Health, and Natural Resources, ~~Economic and Community Development,~~ Commerce, Agriculture, and Crime Control and Public Safety. At the request of such Secretary or Commissioner, the Governor may appoint another official from the same department to serve in his stead."

Sec. 41. G.S. 143B-390.11(e) reads as rewritten:

"(e) The Governor shall appoint two more members to serve ex officio. Ex officio members shall have no vote. These members shall represent the following interests:

(1) One member from the Department of Environment, Health, and Natural Resources who shall be an employee of the Department whose responsibilities include coastal or marine matters; and

(2) One member from the Department of ~~Economic and Community Development~~ Commerce who shall be an employee of the Department whose responsibilities include travel and tourism."

Sec. 42. G.S. 143B-417 reads as rewritten:

"*§ 143B-417. North Carolina Internship Council -- creation; powers and duties.*

There is hereby created the North Carolina Internship Council of the Department of Administration. The North Carolina Internship Council shall have the following functions and duties:

(1) To determine the number of student interns to be allocated to each of the following offices or departments:
   a. Office of the Governor
   b. Department of Administration
   c. Department of Correction
   d. Department of Cultural Resources
   e. Department of Revenue
   f. Department of Transportation
   g. Department of Environment, Health, and Natural Resources
   h. Department of ~~Economic and Community Development~~ Commerce
   i. Department of Crime Control and Public Safety
   j. Department of Human Resources
   k. Office of the Lieutenant Governor
   l. Office of the Secretary of State
   m. Office of the State Auditor
   n. Office of the State Treasurer
   o. Department of Public Education
   p. Repealed by Session Laws 1985, c. 757, s. 162, effective July 1, 1985
   q. Department of Agriculture
   r. Department of Labor
   s. Department of Insurance
   t. Office of the Speaker of the House of Representatives
   u. Justices of the Supreme Court and Judges of the Court of Appeals
   v. Department of Community Colleges
   w. Office of State Personnel
   x. Office of the Senate President Pro Tempore;

(2) To screen applications for student internships and select from these applications the recipients of student internships; and

(3) To determine the appropriateness of proposals for projects for student interns submitted by the offices and departments enumerated in (1)."

Sec. 43. G.S. 143B-426.22(a) reads as rewritten:

"(a) Creation; Membership. -- The Governor's Management Council is created in the Department of Administration. The Council

shall contain the following members: The Secretary of Administration, who shall serve as chairman, a senior staff officer responsible for productivity and management programs from the Departments of ~~Economic and Community Development,~~ Commerce, Revenue, Environment, Health, and Natural Resources, Transportation, Crime Control and Public Safety, Cultural Resources, Correction, Human Resources, and Administration; and an equivalent officer from the Offices of State Personnel, State Budget and Management, and the Governor's Program for Executive and Organizational Development. The following persons may also serve on the Council if the entity represented chooses to participate: a senior staff officer responsible for productivity and management programs from any State department not previously specified in this section, and a representative from The University of North Carolina."

Sec. 44. Article 10 of Chapter 143B of the General Statutes is amended by deleting the existing title and substituting "Department of Commerce".

Sec. 45. G.S. 143B-427 reads as rewritten:

"§ *143B-427. Department of ~~Economic and Community Development~~ Commerce -- creation.*

There is hereby recreated and reconstituted a Department to be known as the 'Department of ~~Economic and Community Development,~~ Commerce,' with the organization, powers, and duties defined in Article 1 of this Chapter, except as modified in this Article."

Sec. 46. The catch line of G.S. 143B-428 reads as rewritten:

"§ *143B-428. Department of ~~Economic and Community Development~~ Commerce -- declaration of policy."*

Sec. 47. G.S. 143B-429 reads as rewritten:

"§ *143B-429. Department of ~~Economic and Community Development~~ Commerce -- duties.*

It shall be the duty of the Department of ~~Economic and Community Development~~ Commerce to provide for and promote the implementation of the declared policy of the State of North Carolina as provided in G.S. 143B-428, to promote and assist in the total economic development of North Carolina in accord with such declared policy and to perform such other duties and functions as are conferred by this Chapter, delegated or assigned by the Governor and conferred by the Constitution and laws of this State."

Sec. 48. G.S. 143B-430 reads as rewritten:

"§ *143B-430. Secretary of ~~Economic and Community Development~~ Commerce -- powers and duties.*

(a) The head of the Department of ~~Economic and Community Development~~ Commerce is the Secretary of ~~Economic and Community~~

~~Development.~~ Commerce. The Secretary of ~~Economic and Community Development~~ Commerce shall have such powers and duties as are conferred on him by this Chapter, delegated to him by the Governor, and conferred on him by the Constitution and laws of this State. The Secretary of ~~Economic and Community Development~~ Commerce shall be responsible for effectively and efficiently organizing the Department of ~~Economic and Community Development~~ Commerce to promote the policy of the State of North Carolina as outlined in G.S. 143B-428 and to promote statewide economic development in accord with that policy. Except as otherwise specifically provided in this Article and in Article 1 of this Chapter, the functions, powers, duties and obligations of every agency or subunit in the Department of ~~Economic and Community Development~~ Commerce shall be prescribed by the Secretary of ~~Economic and Community Development.~~ Commerce.

(b) The Secretary of ~~Economic and Community Development~~ Commerce shall have the power and duty to accept and administer federal funds provided to the State through the Job Training Partnership Act, Pub. L. No. 97-300, 96 Stat. 1322, 29 U.S.C. § 1501 *et seq.*, as amended."

Sec. 49. G.S. 143B-431 reads as rewritten:

"§ *143B-431. Department of ~~Economic and Community Development~~ Commerce -- functions.*

(a) The functions of the Department of ~~Economic and Community Development,~~ Commerce, except as otherwise expressly provided by Article 1 of this Chapter or by the Constitution of North Carolina, shall include:

(1) All of the executive functions of the State in relation to economic development including by way of enumeration and not of limitation, the expansion and recruitment of environmentally sound industry, labor force development, the promotion of and assistance in the orderly development of North Carolina counties and communities, the promotion and growth of the travel and tourism industries, the development of our State's ports, energy resource management and energy policy development;

(2) All functions, powers, duties and obligations heretofore vested in an agency enumerated in Article 15 of Chapter 143A, to wit:

a. The State Board of Alcoholic Control,

b. The North Carolina Utilities Commission,

c. The Employment Security Commission,

d. The North Carolina Industrial Commission,

e. State Banking Commission and the Commissioner of Banks.
f. Savings and Loan Association Division.
g. The State Savings Institutions Commission.
h. Credit Union Commission.
i. The North Carolina Milk Commission.
j. The North Carolina Mutual Burial Association Commission.
k. The North Carolina Rural Electrification Authority.
l. The North Carolina State Ports Authority, all of which enumerated agencies are hereby expressly transferred by a Type II transfer, as defined by G.S. 143A-6, to this recreated and reconstituted Department of ~~Economic and Community Development;~~ Commerce; and.

(3) All other functions, powers, duties and obligations as are conferred by this Chapter, delegated or assigned by the Governor and conferred by the Constitution and laws of this State. Any agency transferred to the Department of ~~Economic and Community Development~~ Commerce by a Type II transfer, as defined by G.S. 143A-6, shall have the authority to employ, direct and supervise professional and technical personnel, and such agencies shall not be accountable to the Secretary of ~~Economic and Community Development~~ Commerce in their exercise of quasi-judicial powers authorized by statute, notwithstanding any other provisions of this Chapter, provided that the authority of the North Carolina State Ports Authority to employ, direct and supervise personnel shall be as provided in Part 10 of this Article.

(b) The Department of ~~Economic and Community Development~~ Commerce is authorized to establish and provide for the operation of North Carolina nonprofit corporations to achieve the purpose of aiding the development of small businesses and to achieve the purposes of the United States Small Business Administration's 504 Certified Development Company Program.

(c) The Department of ~~Economic and Community Development~~ Commerce shall have the following powers and duties with respect to local planning assistance:

(1) To provide planning assistance to municipalities and counties and joint and regional planning boards established by two or more governmental units in the solution of their local planning problems. Planning assistance as used in this section shall consist of making population, economic, land use, traffic, and parking studies and developing plans based

thereon to guide public and private development and other planning work of a similar nature. Planning assistance shall also include the preparation of proposed subdivision regulations, zoning ordinances, capital budgets, and similar measures that may be recommended for the implementation of such plans. The term planning assistance shall not be construed to include the providing of plans for specific public works.

(2) To receive and expend federal and other funds for planning assistance to municipalities and counties and to joint and regional planning boards, and to enter into contracts with the federal government, municipalities, counties, or joint and regional planning boards with reference thereto.

(3) To perform planning assistance, either through the staff of the Department or through acceptable contractual arrangements with other qualified State agencies or institutions, local planning agencies, or with private professional organizations or individuals.

(4) To assume full responsibility for the proper execution of a planning program for which a grant of State or federal funds has been made and for carrying out the terms of a federal grant contract.

(5) To cooperate with municipal, county, joint and regional planning boards, and federal agencies for the purpose of aiding and encouraging an orderly, coordinated development of the State.

(6) To establish and conduct, either with its own staff or through contractual arrangements with institutions of higher education, State agencies, or private agencies, training programs for those employed or to be employed in community development activities.

(d) The Department of ~~Economic and Community Development,~~ Commerce, with the approval of the Governor, may apply for and accept grants from the federal government and its agencies and from any foundation, corporation, association, or individual and may comply with the terms, conditions, and limitations of such grants in order to accomplish the Department's purposes. Grant funds shall be expended pursuant to the Executive Budget Act. In addition, the Department shall have the following powers and duties with respect to its duties in administering federal programs:

(1) To negotiate, collect, and pay reasonable fees and charges regarding the making or servicing of grants, loans, or other evidences of indebtedness.

(2) To establish and revise by regulation, in accordance with Chapter 150B of the General Statutes, schedules of reasonable rates, fees, or charges for services rendered, including but not limited to, reasonable fees or charges for servicing applications. Schedules of rates, fees, or charges may vary according to classes of service, and different schedules may be adopted for public entities, nonprofit entities, private for-profit entities, and individuals."

Sec. 50. G.S. 143B-431.1 reads as rewritten:

"*§ 143B-431.1. Toll-free number for information on housing assistance.*

There shall be established in the Department of ~~Economic and Community Development~~ Commerce a toll-free telephone number to provide information on housing assistance to the citizens of the State."

Sec. 51. G.S. 143B-432 reads as rewritten:

"*§ 143B-432. Transfers to Department of ~~Economic and Community Development.~~ Commerce.*

(a) The Division of Economic Development of the Department of Natural and Economic Resources, the Science and Technology Committee of the Department of Natural and Economic Resources, the Science and Technology Research Center of the Department of Natural and Economic Resources, and the North Carolina National Park, Parkway and Forests Development Council of the Department of Natural and Economic Resources are each hereby transferred to the Department of ~~Economic and Community Development~~ Commerce by a Type I transfer, as defined in G.S. 143A-6.

(b) All functions, powers, duties, and obligations heretofore vested in the following subunits of the Department of Natural Resources and Community Development are hereby transferred to and vested in the Department of ~~Economic and Community Development~~ Commerce by a Type I transfer as defined in G.S. 143A-6:

(1) Community Assistance Division.

(2) Employment and Training Division.

(c) All functions, powers, duties, and obligations heretofore vested in the following councils of the Department of Natural Resources and Community Development are hereby transferred to and vested in the Department of ~~Economic and Community Development~~ Commerce by a Type II transfer as defined in G.S. 143A-6:

(1) Community Development Council.

(2) Job Training Coordinating Council."

Sec. 52. G.S. 143B-433 reads as rewritten:

"*§ 143B-433. Department of ~~Economic and Community Development~~ Commerce -- organization.*

The Department of ~~Economic and Community Development~~ Commerce shall be organized to include:

(a)(1) The North Carolina Alcoholic Beverage Control Commission,
(2) The North Carolina Utilities Commission,
(3) The Employment Security Commission,
(4) The North Carolina Industrial Commission,
(5) State Banking Commission,
(6) Savings and Loan Association Division,
(7) The State Savings Institutions Commission,
(8) Credit Union Commission,
(9) The North Carolina Milk Commission,
(10) The North Carolina Mutual Burial Association Commission,
(11) North Carolina Cemetery Commission,
(12) The North Carolina Rural Electrification Authority,
(13) Repealed by Session Laws 1985, c. 757, s. 179(d),
(14) North Carolina Science and Technology Research Center,
(15) The North Carolina State Ports Authority,
(16) North Carolina National Park, Parkway and Forests Development Council,
(17) Economic Development Board,
(18) Labor Force Development Council,
(19) Energy Policy Council,
(20) Energy Division,
(21) Navigation and Pilotage Commissions established by Chapter 76 of the General Statutes,
(22) The North Carolina Technological Development Authority.

(b) Those agencies which are transferred to the Department of ~~Economic and Community Development,~~ Commerce including the:
(1) Community Assistance Division,
(2) Community Development Council,
(3) Employment and Training Division, and
(4) Job Training Coordinating Council; and

(c) Such divisions as may be established pursuant to Article 1 of this Chapter."

Sec. 53. G.S. 143B-433.1(a) reads as rewritten:

"(a) There is created the Housing Coordination and Policy Council of the Department of ~~Economic and Community Development.~~ Commerce. The Housing Coordination and Policy Council shall have the following functions and duties:
(1) To advise the Secretary of ~~Economic and Community Development~~ Commerce and the Deputy Secretary of Community Development and Housing regarding the coordination of various public and private low and moderate income housing programs;

(2) To advise the Secretary of ~~Economic and Community Development~~ Commerce and the Deputy Secretary of Community Development and Housing in the preparation of an overall, comprehensive State housing plan with specific recommendations to address identified areas of need, which report shall be presented to the Governor and General Assembly;

(3) To advise the Secretary of ~~Economic and Community Development~~ Commerce and the Deputy Secretary of Community Development and Housing with respect to the best use of housing resources under the Deputy Secretary; and

(4) To advise the Secretary of ~~Economic and Community Development~~ Commerce regarding any other matter relating to housing the Secretary may refer to it."

Sec. 54. G.S. 143B-434.1 reads as rewritten:

"*§ 143B-434.1. The North Carolina Travel and Tourism Board -- creation, duties, membership.*

(a) There is created within the Department of ~~Economic and Community Development~~ Commerce the North Carolina Travel and Tourism Board. The Secretary of ~~Economic and Community Development~~ Commerce and the Director of the Division of Travel and Tourism will work with the Board to fulfill the duties and requirements set forth in this section, and to promote the sound development of the travel and tourism industry in North Carolina.

(b) The function and duties of the Board shall be:

(1) To advise the Secretary of ~~Economic and Community Development~~ Commerce in the formulation of policy and priorities for the promotion and development of travel and tourism in the State.

(2) To advise the Secretary of ~~Economic and Community Development~~ Commerce in the development of a budget for the Division of Travel and Tourism.

(3) To recommend programs to the Secretary of ~~Economic and Community Development~~ Commerce that will promote the State as a travel and tourism destination and that will develop travel and tourism opportunities throughout the State.

(4) To advise the Secretary of ~~Economic and Community Development~~ Commerce every three months as to the effectiveness of agencies with which the Department has contracted for advertising and regarding the selection of an advertising agency that will assist the Department in the promotion of the State as a travel and tourism destination.

(5) To name a three-member subcommittee, with one member from each of the eastern, central, and western regions of the State, to make recommendations to the Secretary of ~~Economic and Community Development~~ Commerce regarding any revisions in the matching funds tourism grants program, project applications, and criteria for projects that qualify for participation in the program.

(6) To advise the Secretary of ~~Economic and Community Development~~ Commerce from time to time as to the effectiveness of the overall operations of the Division of Travel and Tourism.

(7) To promote the exchange of ideas and information on travel and tourism between State and local governmental agencies, and private organizations and individuals.

(8) To advise the Secretary of ~~Economic and Community Development~~ Commerce upon any matter that the Secretary, Governor, or Director of the Division of Travel and Tourism may refer to it.

(c) The Board shall consist of 25 members as follows:

(1) The Secretary of ~~Economic and Community Development,~~ Commerce, who shall not be a voting member.

(2) The Director of the Division of Travel and Tourism, who shall not be a voting member.

(3) Two members designated by the Board of Directors of the North Carolina Hotel and Motel Association.

(4) Two members designated by the Board of Directors of the North Carolina Restaurant Association.

(5) Three Directors of Convention and Visitor Bureaus designated by the Board of Directors of the North Carolina Association of Convention and Visitor Bureaus.

(6) The Chairperson of the Travel and Tourism Coalition.

(7) The President of the Travel Council of North Carolina.

(8) A member designated by the Board of Directors of the Travel Council of North Carolina.

(9) The President of North Carolina Citizens for Business and Industry.

(10) One member designated by the North Carolina Petroleum Marketers Association.

(11) One person associated with tourism attractions in North Carolina, appointed by the General Assembly, upon recommendation of the Speaker of the House of Representatives.

(12) One person associated with the tourism-related transportation industry, appointed by the General Assembly

upon recommendation of the President Pro Tempore of the Senate.

(13) Four public members each interested in matters relating to travel and tourism, two appointed by the Governor (one from a rural area and one from an urban area), one appointed by the General Assembly upon recommendation of the Speaker of the House, and one appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate.

(14) One member associated with the major cultural resources and activities of the State in North Carolina, appointed by the Governor.

(15) Two members of the House of Representatives, appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives.

(16) Two members of the Senate, appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate.

(d) The members of the Board shall serve the following terms: the Secretary of ~~Economic and Community Development,~~ Commerce, the Director of the Division of Travel and Tourism, the Chairperson of the Travel and Tourism Coalition, the President of the Travel Council of North Carolina, and the President of North Carolina Citizens for Business and Industry shall serve on the Board while they hold their respective offices. Each member of the Board appointed by the Governor shall serve during his or her term of office. The members of the Board appointed by the General Assembly shall serve two-year terms beginning on January 1 of odd-numbered years and ending on December 31 of the following year. The first such term shall begin on January 1, 1991, or as soon thereafter as the member is appointed to the Board, and end on December 31, 1992. All other members of the Board shall serve a term which consists of the portion of calendar year 1991 that remains following their appointment or designation and, thereafter, two-year terms which shall begin on January 1 of an even-numbered year and end on December 31 of the following year. The first such two-year term shall begin on January 1, 1992, and end on December 31, 1994.

(e) No member of the Board, except a member serving by virtue of his or her office, shall serve during more than five consecutive calendar years, except that a member shall continue to serve until his or her successor is appointed.

(f) Appointments to fill vacancies in the membership of the Board that occur due to resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term and shall be

made by the same appointing authority that made the initial appointment.

(g) Board members who are employees of the State shall receive travel allowances at the rate set forth in G.S. 138-6. Board members who are legislators shall be reimbursed for travel and subsistence in accordance with G.S. 120-3.1. All other Board members, except those serving pursuant to subdivisions (3) through (10) of subsection (c) of this section, shall receive per diem, subsistence, and travel expenses at the rate set forth in G.S. 138-5. Board members serving pursuant to subdivisions (3) through (10) of subsection (c) of this section shall not receive per diem, subsistence, or travel expenses. The expenses set forth in this section shall be paid by the Division of Travel and Tourism of the Department of ~~Economic and Community Development.~~ Commerce.

(h) At its first meeting in 1991, the Board shall elect one of its voting members to serve as Chairperson during calendar year 1991. At its last regularly scheduled meeting in 1991, and at its last regularly scheduled meeting in each year thereafter, the Board shall elect one of its voting members to serve as Chairperson for the coming calendar year. No person shall serve as Chairperson during more than three consecutive calendar years. The Chairperson shall continue to serve until his or her successor is elected.

(i) A majority of the current voting membership shall constitute a quorum.

(j) The Secretary of ~~Economic and Community Development~~ Commerce shall provide clerical and other services as required by the Board."

Sec. 55. G.S. 143B-435 reads as rewritten:

"§ *143B-435. Publications.*

The Department of ~~Economic and Community Development~~ Commerce may also cause to be prepared for publication, from time to time, reports and statements, with illustrations, maps and other descriptions, which may adequately set forth the natural and material resources of the State and its industrial and commercial developments, with a view to furnishing information to educate the people with reference to the material advantages of the State, to encourage and foster existing industries, and to present inducements for investment in new enterprises. Such information shall be published and distributed as the Department of ~~Economic and Community Development~~ Commerce may direct. The costs of publishing and distributing such information shall be paid from:

(1) State funds as other public documents; or

(2) Private funds received:

a. As donations, or

b. From the sale of appropriate advertising in such published information."

Sec. 56. G.S. 143B-436 reads as rewritten:

"*§ 143B-436. Advertising of State resources and advantages.*

It is hereby declared to be the duty of the Department of ~~Economic and Community Development~~ Commerce to map out and to carry into effect a systematic plan for the nationwide advertising of North Carolina, properly presenting, by the use of any available advertising media, the true facts concerning the State of North Carolina and all of its resources."

Sec. 57. G.S. 143B-437 reads as rewritten:

"*§ 143B-437. Investigation of impact of proposed new and expanding industry.*

The Department of ~~Economic and Community Development~~ Commerce shall conduct an evaluation in conjunction with the Department of Environment, Health, and Natural Resources of the effects on the State's natural and economic environment of any new or expanding industry or manufacturing plant locating in North Carolina."

Sec. 58. G.S. 143B-437.1 reads as rewritten:

"*§ 143B-437.1. Community Development Council -- creation; powers and duties.*

There is hereby created the Community Development Council to be located in the Department of ~~Economic and Community Development.~~ Commerce. The Community Development Council shall have the following functions and duties:

(1) To advise the Secretary of ~~Economic and Community Development~~ Commerce with respect to promoting and assisting in the orderly development of North Carolina counties and communities.

(2) To advise the Secretary of ~~Economic and Community Development~~ Commerce with respect to the type and effectiveness of planning and management services provided to local government.

(3), (4) Repealed by Session Laws 1977, c. 198, s. 13.

(5) The Council shall consider and advise the Secretary of ~~Economic and Community Development~~ Commerce upon any matter the Secretary may refer to it."

Sec. 59. G.S. 143B-437.2(g) reads as rewritten:

"(g) All clerical and other services required by the Council shall be supplied by the Secretary of ~~Economic and Community Development.~~ Commerce."

Sec. 60. G.S. 143B-437A reads as rewritten:

"*§ 143B-437A. Industrial Development Fund.*

(a) There is created in the Department of ~~Economic and Community Development~~ Commerce the Industrial Development Fund to provide funds to assist the local government units of the most economically depressed counties in the State in creating jobs. The Department of ~~Economic and Community Development~~ Commerce shall adopt rules providing for the administration of the program. Those rules shall include the following:

(1) The funds shall be used for (i) installation of or purchases of manufacturing equipment or process productions equipment, (ii) structural repairs, improvements, or renovations of existing buildings to be used for manufacturing and industrial expansion, (iii) construction of or improvements to new or existing water, sewer, gas, or electrical utility distribution lines or equipment for existing industrial buildings to be used for manufacturing and industrial operations, or (iv) in the case of counties designated as severely distressed counties under G.S. 105-130.40(c) or G.S. 105-151.17(c) or units of local government within those counties, construction of or improvement to new or existing water, sewer, gas, or electrical utility distribution lines or equipment to serve new or proposed industrial buildings to be used for manufacturing and industrial operations. To be eligible for funding, the water, sewer, gas, or electrical utility lines or facilities shall be located on the site of the building or, if not located on the site, shall be directly related to the operation of the specific manufacturing activity. However, the Secretary of ~~Economic and Community Development~~ Commerce may use up to one hundred thousand dollars ($100,000) to provide emergency economic development assistance in any county which is documented to be experiencing a major economic dislocation.

(2) The funds shall be used by the city and county governments for projects that will directly result in the creation of new jobs. The funds shall be expended at a rate of one thousand two hundred dollars ($1,200) per new job created up to a maximum of two hundred fifty thousand dollars ($250,000) per project.

(b) Each year, on or before December 31, the Secretary of ~~Economic and Community Development~~ Commerce shall designate the most economically distressed counties in the State; this designation shall remain effective for the following calendar year. The Secretary of ~~Economic and Community Development~~ Commerce shall determine which counties are the most economically distressed counties in the

State based on (i) rate of unemployment, (ii) per capita income, and (iii) relative population and work force growth or lack of growth, as determined by the Secretary of ~~Economic and Community Development.~~ Commerce.

(c) The Department of ~~Economic and Community Development~~ Commerce shall report annually to the General Assembly concerning the applications made to the fund and the payments made from the fund and the impact of the payments on job creation in the State. The Department of ~~Economic and Community Development~~ Commerce shall also report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the use of the moneys in the fund, including information regarding to whom payments were made, in what amounts, and for what purposes.

(d) As used in this section, 'major economic dislocation' means the actual or imminent loss of:

(1) 500 or more manufacturing jobs in the county; or

(2) A number of manufacturing jobs which is equal to or more than ten percent (10%) of the existing manufacturing workforce in the county."

Sec. 61. G.S. 143B-438.4 reads as rewritten:

"§ *143B-438.4. Coordinating Council.*

(a) The State Job Training Coordinating Council is established within the Department of ~~Economic and Community Development.~~ Commerce.

(b) Operating funds and staff for the Council shall be supported with funds from the Job Training Partnership Act.

(c) Adequate office space shall be provided by the Department of ~~Economic and Community Development.~~ Commerce.

(d) The initial staffing level of the Council and the level of funding support required shall be determined by the Secretary of ~~Economic and Community Development.~~ Commerce. However, the staffing level shall not exceed 10 personnel as may be necessary to carry out its functions under this Part and the Job Training Partnership Act.

(e) Duties and responsibilities of the Council include but shall not be limited to the following:

(1) Overseeing the meeting of the State's goals for employment and training.

(2) Reviewing the plans and programs of agencies operating federally funded programs related to employment and training and of other agencies providing employment and training-related services in the State that may be funded with State funds.

(3) Conducting studies, preparing reports and analyses, including an annual published report to the Governor and

General Assembly, and providing such advisory services as may be authorized or directed by the Governor.

(4) Recommending the allocation of Job Training Partnership Act funds not subject to the seventy-eight percent (78%) that flows directly to service delivery areas.

(5) Recommending program goals to insure job training for unskilled youth and adults is a matter of the highest priority and encouraging Service Delivery Areas (SDA's) to reflect these goals in their SDA plans.

(6) Developing a long term tracking system to measure the effectiveness of the Job Training Partnership Act with respect to permanent job placements.

(7) Insuring compliance with the provisions of Sections 122(b)(7) A and B and 122(b)(8) of the Job Training Partnership Act no later than May 30 of every year, requiring the following:

a. The identification of, in coordination with the appropriate State agencies, the employment, training, and vocation education needs throughout the State;

b. An assessment of the extent to which employment and training, vocation education, rehabilitation services, public assistance, economic development, and other federal, State, and local programs and services represent a consistent, integrated, and coordinated approach to meeting these needs;

c. Comments on reports required by Sections 105(d)(3) of the Vocational Education Act of 1963 and appropriate recommendations to the Governor and General Assembly.

(8) Annually measuring, to the extent practicable, the increase in employment and earnings and the reductions in welfare dependency by SDA resulting from participating in the Job Training Partnership Act program and reporting those findings to the Governor and General Assembly.

(9) Annually reporting to the Governor and General Assembly on funds expended by each SDA for job training services.

(10) Providing management guidance and review of all State administered employment and training programs and encouraging compliance by the SDA's with the goals and purposes outlined by the General Assembly, the Governor, and the State Council.

(11) Repealed by Session Laws 1989, c. 532, s. 2.

(12) Obtaining other information from recipients of Job Training Partnership Act funds, as requested by the Governor and General Assembly.

(13) Overseeing the responsibilities required in the Economic Dislocation and Worker Adjustment Assistance Act (EDWAAA), including the following:

a. Advising the Governor on designation of sub-State areas and sub-State grantees and on the procedure for selecting Private Industry Council (PIC) and Local Employment Organizations (LEO) representatives within sub-State areas relative to grantee designation;

b. Advising the Governor on developing formulas for distributing funds among sub-State areas and formulas for reallocating unexpended funds;

c. Reviewing and commenting to the Governor on State and sub-State EDWAAA programs;

d. Reviewing and submitting comments on the State plan prior to submission to the Secretary and on each sub-State plan; and

e. Advising the Governor on the establishment and application of performance standards.

(f) The State Job Training Coordinating Council:

(1) Shall be appointed by the Governor in a manner consistent with Section 122 of Public Law 97-300.

(2) Shall meet at the call of the chairman. A majority of the Council shall constitute a quorum for the transaction of business. Members shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5, 138-6 or 120-3.1, as the case may be.

(3) Repealed by Session Laws 1989, c. 532, s. 2.

(4) May create such committees as may be necessary to the proper conduct of its business. The Governor may establish such additional advisory bodies, in accordance with existing law, related to employment and training as may be necessary and appropriate to the conduct of federally supported employment and training-related programs."

Sec. 62. G.S. 143B-438.6 reads as rewritten:

"§ *143B-438.6. Employment and Training Grant Program.*

(a) There is established in the Department of ~~Economic and Community Development,~~ Commerce, Division of Employment and Training, an Employment and Training Grant Program. The purpose of the program is to make grants available to local agencies operating

on behalf of the Private Industry Council serving Job Training Partnership Act service delivery areas. Grant funds shall be allocated for the purpose of enabling recipient agencies to implement local employment and training programs in accordance with existing resources, local needs, local goals, and selected training occupations. The Department shall adopt rules in accordance with Chapter 150B of the General Statutes for administering the Employment and Training Grant Program, which rules shall include procedures for review and approval of grant applications by local agencies and for monitoring use of grant funds by recipient agencies. A State-administered program of performance standards shall be used to measure grant program outcomes.

(b) Use of grant funds: Local agencies may use funds received under this section only for the purpose of upgrading the foundation of basic skills of the adult population and the existing work force in North Carolina. Services that may be provided include participant programs currently available under the federal Job Training Partnership Act that are appropriate for adults; on-the-job training; work experience; adult basic education; skills training, upgrading, and retraining; counseling and screening for job placement; service corps; and related support services. Local agencies may use grant funds to provide services only to individuals who are 18 years of age or older and who either (i) meet the current Federal Job Training Partnership Act definition of 'economically disadvantaged', or (ii) meet the current definition for eligibility under Title III of the Federal Job Training Partnership Act.

(c) Allocation of grants: The Department may reserve and allocate up to five percent (5%) of funds available to the Employment and Training Grant Program for State and local administrative costs to implement the program. The Division of Employment and Training shall allocate employment and training grants to local agencies operating on behalf of the Private Industry Council serving Job Training Partnership Act service delivery areas based on the following formula:

(1) One half of the funds shall be allocated on the basis of the relative excess number of unemployed individuals residing in each county as compared to the total excess number of unemployed individuals in all counties in the State.

'Excess number of unemployed' is defined as the number of unemployed individuals in excess of four and one-half percent (4.5%) of the civilian labor force in each county or the number of unemployed individuals in excess of four and one-half percent (4.5%) of the civilian labor force in each

census tract within the county. The following methodology is used to determine the excess number of unemployed:

a. For counties classified as having excess unemployment, the excess number of unemployed is determined by subtracting four and one-half percent (4.5%) of the civilian labor force from the number of unemployed individuals within the county. The difference equals the number of excess unemployed.

b. In situations where the entire county is not classified as having excess unemployment, the excess number of unemployed is determined by census tract unemployment within the county. Census tract data is used to determine which subcounty areas qualify as areas of excess unemployment. In those subcounty areas classified as having excess unemployment (census tracts with four and one-half percent (4.5%) or higher unemployment rates), four and one-half percent (4.5%) of the census tract labor force is subtracted from the number of unemployed individuals within the area of excess unemployment. The subcounty figures of excess number of unemployed within the county are then added together to determine the total excess number of unemployed within the county.

(2) One half of the funds shall be allocated on the basis of the relative number of economically disadvantaged individuals within each county compared to the total number of economically disadvantaged individuals in the State. To determine the number of economically disadvantaged individuals within each county, data from the State Data Center in the Office of State Budget and Management, or from the federal decennial census, whichever is most recent, shall be used.

(d) Reports, Coordination: The Department of ~~Economic and Community Development~~ Commerce shall report quarterly to the Governor and to the Speaker of the House of Representatives and the President Pro Tempore of the Senate on the North Carolina Employment and Training Grant Program. The Department shall also provide a copy of these quarterly reports to the State Job Training Coordinating Council. The Council shall advise the Department on the merger of the funds provided to implement this section with other employment and training funds to develop comprehensive work-force preparedness initiatives for the State.

(e) Funds appropriated to the Department of ~~Economic and Community Development~~ Commerce for the Employment and Training

Grant Program that are not expended at the end of the fiscal year shall not revert but shall remain available to the Department for the purposes established in this section."

Sec. 63. G.S. 143B-439 reads as rewritten:

"*§ 143B-439. Credit Union Commission.*

(a) There shall be created in the Department of ~~Economic and Community Development~~ Commerce a Credit Union Commission which shall consist of seven members. The members of the Credit Union Commission shall elect one of its members to serve as chairman of the Commission to serve for a term to be specified by the Commission. On the initial Commission three members shall be appointed by the Governor for terms of two years and three members shall be appointed by the Governor for terms of four years. Thereafter all members of the Commission shall be appointed by the Governor for terms of four years. The Governor shall appoint the seventh member for the same term and in the same manner as the other six members are appointed. In the event of a vacancy on the Commission the Governor shall appoint a successor to serve for the remainder of the term. Three members of the Commission shall be persons who have had three years' or more experience as a credit union director or in management of state-chartered credit unions. At least four members shall be appointed as representatives of the borrowing public and may be members of a credit union but shall not be employees of, or directors of any financial institution or have any interest in any financial institution other than as a result of being a depositor or borrower. No two persons on the Commission shall be residents of the same senatorial district. No person on the Commission shall be on a board of directors or employed by another type of financial institution. The Commission shall meet at least every six months, or more often upon the call of the chairman of the Credit Union Commission or any three members of the Commission. A majority of the members of the Commission shall constitute a quorum. The members of the Commission shall be reimbursed for expenses incurred in the performance of their duties under this Chapter as prescribed in G.S. 138-5. In the event that the composition of the Commission on April 30, 1979, does not conform to that prescribed in the preceding sentences, such composition shall be corrected thereafter by appropriate appointments as terms expire and as vacancies occur in the Commission; provided that no person shall serve on the Commission for more than two complete consecutive terms.

(b) The relationship between the Secretary of ~~Economic and Community Development~~ Commerce and the Credit Union

Commission shall be as defined for a Type II transfer under this Chapter.

(c) The Credit Union Commission is hereby vested with full power and authority to review, approve, or modify any action taken by the Administrator of Credit Unions in the exercise of all powers, duties, and functions vested by law in or exercised by the Administrator of Credit Unions under the credit union laws of this State.

An appeal may be taken to the Commission from any finding, ruling, order, decision or the final action of the Administrator by any credit union which feels aggrieved thereby. Notice of such appeal shall be filed with the chairman of the Commission within 30 days after such finding, ruling, order, decision or other action, and a copy served upon the Administrator. Such notice shall contain a brief statement of the pertinent facts upon which such appeal is grounded. The Commission shall fix a date, time and place for hearing said appeal, and shall notify the credit union or its attorney of record thereof at least 30 days prior to the date of said hearing."

Sec. 64. G.S. 143B-443 reads as rewritten:

"§ *143B-443. Administration by Department of ~~Economic and Community Development.~~ Commerce.*

The activities of the North Carolina Science and Technology Research Center will be administered by the Department of ~~Economic and Community Development.~~ Commerce."

Sec. 65. G.S. 143B-448 reads as rewritten:

"§ *143B-448. Energy Division.*

There is hereby created in the Department of ~~Economic and Community Development~~ Commerce a division to be known as the Energy Division."

Sec. 66. G.S. 143B-449 reads as rewritten:

"§ *143B-449. Organization.*

The Division shall be organized and shall have such powers, duties and functions as prescribed by the Secretary of ~~Economic and Community Development.~~ Commerce."

Sec. 67. G.S. 143B-450 reads as rewritten:

"§ *143B-450. Reporting of stocks of coal and petroleum fuels.*

The Energy Division of the Department of ~~Economic and Community Development~~ Commerce may, with the prior express approval of the Energy Policy Council and the Governor, require that all coal and petroleum suppliers in North Carolina supplying coal, motor gasoline, middle distillates, residual oils and propane for resale within the State file with the Energy Division, on forms prepared by the Energy Division, accurate reports as to the stocks of coal and petroleum products and storage capacities maintained by said supplier, including said supplier's current inventory and stock of said coal,

motor gasoline, middle distillates, residual oils and propane, the expected time such supplies will last under ordinary distribution demand and the schedule for receiving additional or replacement stocks. Such reports and the information contained therein shall be proprietary information available only to regular employees of the Energy Division, except that aggregate tables or schedules consolidating information from said reports may be released if they do not reveal individual report data for any named supplier. It is further the intent of this section that no information shall be required from coal and petroleum suppliers, that is, at the time such reports are requested, already on file with any agency, commission, or department of State government.

It is the intent of this section that such reports be filed only at such times as the Energy Policy Council and the Governor determine that an energy crisis as defined in G.S. 113B-20 exists or may be imminent.

If any petroleum or coal supplier fails to file the accurate reports as may be required by this section for more than 10 days after the date on which any such report is due, the Secretary of ~~Economic and Community Development~~ Commerce is authorized and empowered to petition the district court, Division of the General Court of Justice in the county in which the principal office or place of business of said supplier is located for a mandatory injunction compelling said supplier to file said report."

Sec. 68. G.S. 143B-450.1(c) reads as rewritten:

"(c) The Energy Division shall adopt rules and regulations for the administration of this data collection program and the Attorney General and the law enforcement authorities of the State and its political subdivisions shall enforce the provisions of this section and all orders, rules and regulations promulgated thereunder. Any such enforcement action may be brought upon the relation of the Energy Division, Department of ~~Economic and Community Development,~~ Commerce, or in his discretion, upon the direction of the Attorney General."

Sec. 69. G.S. 143B-451 reads as rewritten:

"*§ 143B-451. Navigation and pilotage commissions.*

The Board of Commissioners of Navigation and Pilotage for the Cape Fear River as provided for by G.S. 76-1, and the Board of Commissioners of Navigation and Pilotage for Old Topsail Inlet and Beaufort Bar as provided for by G.S. 76-59 are hereby transferred to the Department of ~~Economic and Community Development,~~ Commerce. All powers, duties and authority of the Board of Commissioners of Navigation and Pilotage for the Cape Fear River and Bar and the Board of Commissioners of Navigation and Pilotage

for Old Topsail Inlet and Beaufort Bar, as provided for in Chapter 76 of the General Statutes, shall continue to vest in the boards, as now provided by statute, independently of the direction, supervision, and control of the Secretary of ~~Economic and Community Development,~~ Commerce. The commissions shall report their activity to the Governor through the Secretary of ~~Economic and Community Development,~~ Commerce. The appointment to the boards shall continue to be made in the manner as provided by Chapter 76 of the General Statutes."

Sec. 70. G.S. 143B-452 reads as rewritten:

"*§ 143B-452. Creation of Authority -- membership; appointment, terms and vacancies; officers; meetings and quorum; compensation.*

The North Carolina State Ports Authority is hereby created. It shall be governed by a board composed of nine members and hereby designated as the Authority. Effective July 1, 1983, it shall be governed by a board composed of 11 members and hereby designated as the Authority. The General Assembly suggests and recommends that no person be appointed to the Authority who is domiciled in the district of the North Carolina House of Representatives or the North Carolina Senate in which a State port is located. The Governor shall appoint seven members to the Authority, and the General Assembly shall appoint two members of the Authority. Effective July 1, 1983, the Authority shall consist of seven persons appointed by the Governor, and four persons appointed by the General Assembly. Effective July 1, 1989, the Governor shall appoint six members to the Authority, in addition to the Secretary of ~~Economic and Community Development,~~ Commerce, who shall serve as a voting member of the Authority by virtue of his office. The Secretary of ~~Economic and Community Development~~ Commerce shall fill the first vacancy occurring after July 1, 1989, in a position on the Authority over which the Governor has appointive power.

The initial appointments by the Governor shall be made on or after March 8, 1977, two terms to expire July 1, 1979; two terms to expire July 1, 1981; and three terms to expire July 1, 1983. Thereafter, at the expiration of each stipulated term of office all appointments made by the Governor shall be for a term of six years.

To stagger further the terms of members:

(1) Of the members appointed by the Governor to replace the members whose terms expire on July 1, 1991, one member shall be appointed to a term of five years, to expire on June 30, 1996; the other member shall be appointed for a term of six years, to expire on June 30, 1997;

(2) Of the members appointed by the Governor to replace the members whose terms expire on July 1, 1993, one member

shall be appointed to a term of five years, to expire on June 30, 1998; the other member shall be appointed to a term of six years, to expire on June 30, 1999;

(3) Of those members appointed by the Governor to replace the members whose terms expire on July 1, 1995, one member shall be appointed to a term of five years, to expire on June 30, 2000; the other member shall be appointed to a term of six years, to expire on June 30, 2001.

Thereafter, at the expiration of each stipulated term of office all appointments made by the governor shall be for a term of six years.

The members of the Authority appointed by the Governor shall be selected from the State-at-large and insofar as practicable shall represent each section of the State in all of the business, agriculture, and industrial interests of the State. Any vacancy occurring in the membership of the Authority appointed by the Governor shall be filled by the Governor for the unexpired term. The Governor may remove a member appointed by the Governor only for reasons provided by G.S. 143B-13.

The General Assembly shall appoint two persons to serve terms expiring June 30, 1983. The General Assembly shall appoint four persons to serve terms beginning July 1, 1983, to serve until June 30, 1985, and successors shall serve for two-year terms. Of the two appointments to be made in 1982, one shall be made upon the recommendation of the Speaker, and one shall be made upon the recommendation of the President of the Senate. Of the four appointments made in 1983 and biennially thereafter, two shall be made upon the recommendation of the President of the Senate, and two shall be made upon the recommendation of the Speaker. To stagger further the terms of members:

(1) Of the members appointed upon the recommendation of the Speaker to replace the members whose terms expire on June 30, 1991, one member shall be appointed to a term of one year, to expire on June 30, 1992; the other member shall be appointed to a term of two years, to expire on June 30, 1993;

(2) Of the members appointed upon the recommendation of the President of the Senate to replace the members whose terms expire on June 30, 1991, one member shall be appointed to a term of one year, to expire on June 30, 1992; the other member shall be appointed to a term of two years, to expire on June 30, 1993.

Thereafter, at the expiration of each stipulated term of office all appointments made by the General Assembly shall be for terms of two years.

Appointments by the General Assembly shall be made in accordance with G.S. 120-121, and vacancies in those appointments shall be filled in accordance with G.S. 120-122. Members appointed by the General Assembly may be removed only for reasons provided by G. S. 143B-13.

The Governor shall appoint from the members of the Authority the chairman and vice-chairman of the Authority. The members of the Authority shall appoint a treasurer and secretary of the Authority.

The Authority shall meet once in each 60 days at such regular meeting time as the Authority by rule may provide and at any place within the State as the Authority may provide, and shall also meet upon the call of its chairman or a majority of its members. A majority of its members shall constitute a quorum for the transaction of business. The members of the Authority shall not be entitled to compensation for their services, but they shall receive per diem and necessary travel and subsistence expense in accordance with G.S. 138-5."

Sec. 71. G.S. 143B-472.32(a) reads as rewritten:

"(a) For the purposes of this Part, the Department of ~~Economic and Community Development.~~ Commerce, Energy Division, is designated as the lead State agency in matters pertaining to industrial and commercial energy conservation."

Sec. 72. G.S. 143B-472.35 reads as rewritten:

"*§ 143B-472.35. Establishment of fund; use of moneys; application for grants and loans; disbursal; repayment; inspections; rules; reports.*

(a) A revolving fund to be known as the Main Street Financial Incentive Fund is established in the Department of ~~Economic and Community Development.~~ Commerce. This Fund shall be administered by the Department of ~~Economic and Community Development.~~ Commerce. The Department of ~~Economic and Community Development~~ Commerce shall be responsible for receipt and disbursement of all moneys as provided in this section. Interest earnings shall be credited to the Main Street Financial Incentive Fund.

(b) Moneys in the Main Street Financial Incentive Fund shall be available to the North Carolina cities affiliated with the North Carolina Main Street Center Program. Moneys in the Main Street Financial Incentive Fund shall be used for the following eligible activities:

(1) The acquisition or rehabilitation of properties in connection with private investment in a designated downtown area;
(2) The establishment of revolving loan programs for private investment in a designated downtown area;
(3) The subsidization of interest rates for these revolving loan programs;

(4) The establishment of facade incentive grants in connection with private investment in a designated downtown area;

(5) Market studies, design studies, design assistance, or strategic planning efforts, provided the activity can be shown to lead directly to private investment in a designated downtown area;

(6) Any approved project that provides construction or rehabilitation in a designated downtown area and can be shown to lead directly to private investment in the designated downtown area; and

(7) Public improvements and public infrastructure within a designated downtown area, provided these improvements are necessary to create or stimulate private investment in the designated downtown area.

(c) Any North Carolina city affiliated with the North Carolina Main Street Center Program may apply for moneys from the Main Street Financial Incentive Fund by submitting an application to the Main Street Center in the Division of Community Assistance, Department of ~~Economic and Community Development,~~ Commerce. Any city affiliated with the North Carolina Main Street Center Program may apply for a grant equal to ten percent (10%) of the projected cost of the proposed project. A city may apply for additional moneys as one or more loans from the Fund. Specifically, a city may apply for a loan for:

(1) Up to fifteen percent (15%) of the projected cost of the proposed project in excess of the amount to be received as a grant, subject to repayment within fifteen years at five percent (5%) interest;

(2) Up to twenty percent (20%) of the projected cost of the proposed project in excess of the amount to be received as a grant, subject to repayment within ten years at eight percent (8%) interest; and

(3) Up to thirty-five percent (35%) of the projected cost of the proposed project in excess of the amount to be received as a grant, subject to repayment within seven years at ten percent (10%) interest.

The application shall list:

(1) The proposed activities for which the moneys are to be used and the projected cost of the project;

(2) The amount of grant moneys and any loans requested for these activities;

(3) Projections of the dollar amount of private investment that is expected to occur in the designated downtown area as a direct result of the city's proposed activities;

(4) Whether local public dollars are required to match any grant plus any loan moneys according to the provisions of subdivision (g)(2) of this section, and if so, the amount of local public dollars required;
(5) An explanation of the nature of the private investment in the designated downtown area that will result from the city's proposed activities;
(6) Projections of the time needed to complete the city's proposed activities;
(7) Projections of the time needed to realize the private investment that is expected to result from the city's proposed activities; and
(8) Identification of the proposed source of funds to be used for repayment of any loan obligations.

The applicant shall furnish additional or supplemental information upon written request.

(d) A committee, comprised of representatives of: the Division of Community Assistance of the Department of ~~Economic and Community Development,~~ Commerce, the North Carolina Main Street Program, the Local Government Commission, and the League of Municipalities shall:

(1) Review a city's application,
(2) Determine whether the activities listed in the application are activities that are eligible for a loan, and
(3) Determine which applicants are selected to receive moneys from the Main Street Financial Incentive Fund.

A city whose application is denied may file a new or amended application.

(e) A Main Street City that is selected may not receive a grant plus any loans pursuant to this section totaling less than twenty thousand dollars ($20,000) or more than three hundred thousand dollars ($300,000).

(f) The Department of ~~Economic and Community Development~~ Commerce may not disburse moneys for any loans until the city has confirmed a method of repayment of the loan. The terms for repayment established for a given loan shall apply throughout the period of that loan.

The Department of ~~Economic and Community Development~~ Commerce shall establish an account in the amount of the grant plus any loans for each city that is selected. These moneys shall be disbursed as expended through warrants drawn on the Department of ~~Economic and Community Development.~~ Commerce.

(g) (1) A city that has been selected to receive a grant plus any loans shall use the full amount of the grant plus any loans

for the activities that were approved pursuant to subsection (d) of this section. Moneys are deemed used if the city is legally committed to spend the moneys on the approved activities.

(2) If a city has received approval to use the grant plus any loans for public improvements or public infrastructure, that city shall be required to raise, before moneys for these public improvements may be drawn from the city's account, local public funds to match the amount of the grant plus any loans from the Main Street Financial Incentive Fund on the basis of at least one local public dollar ($1.00) for every one dollar ($1.00) from the Main Street Financial Incentive Fund. This match requirement applies only to those moneys received for public improvements or public infrastructure and is in addition to the requirement set forth in subdivision (1) of this subsection.

(3) A city that fails to satisfy the condition set forth in subdivision (1) of this subsection shall lose any moneys that have not been used within three years of being selected. These unused moneys shall be credited to the Main Street Financial Incentive Fund. A city that fails to satisfy the conditions set forth in subdivisions (1) and (2) of this subsection may file a new application.

(4) Any moneys repaid or credited to the Main Street Financial Incentive Fund pursuant to subdivision (3) of this subsection shall be available to other applicants as long as the Main Street Financial Incentive Fund is in effect.

(h) Each city is authorized to agree to apply any available revenues of that city to the repayment of a loan obligation to the extent the generation of these revenues is within the power of that city to enter into covenants to take action in order to generate these revenues; provided:

(1) The agreement to use this source of funds to make repayment or the covenant to generate these revenues does not constitute a pledge of the city's taxing power; and

(2) The repayment agreement specifically identifies the source of funds to be pledged.

(i) After a project financed in whole or in part pursuant to this section has been completed, the city shall report the actual cost of the project to the Department of ~~Economic and Community Development.~~ Commerce. If the actual cost of the project exceeds the projected cost upon which the grant plus any loans were based, the city may submit an application to the Department of ~~Economic and Community Development~~ Commerce for a grant or loans for the difference. If the

actual cost of the project is less than the projected cost, the city shall arrange to pay the difference to the Main Street Financial Incentive Fund according to terms set by the Department.

(j) Inspection of a project for which a grant plus any loans have been awarded may be performed by personnel of the Department of ~~Economic and Community Development,~~ Commerce. No person may be approved to perform inspections who is an officer or employee of the unit of local government to which the grant plus any loans were made or who is an owner, officer, employee, or agent of a contractor or subcontractor engaged in the construction of any project for which the grant plus any loans were made.

(k) The Department of ~~Economic and Community Development~~ Commerce may adopt, modify, and repeal rules establishing the procedures to be followed in the administration of this section and regulations interpreting and applying the provisions of this section, as provided in the Administrative Procedure Act.

(l) The Department of ~~Economic and Community Development~~ Commerce and cities that have been selected to receive a grant plus any loans from the Main Street Financial Incentive Fund shall prepare and file on or before July 31 of each year with the Joint Legislative Commission on Governmental Operations a consolidated report for the preceding fiscal year concerning the allocation of grants plus any loans authorized by this section.

The portion of the annual report prepared by the Department of ~~Economic and Community Development~~ Commerce shall set forth for the preceding fiscal year itemized and total allocations from the Main Street Financial Incentive Fund for grants and loans. The Department of ~~Economic and Community Development~~ Commerce shall also prepare a summary report of all allocations made from the fund for each fiscal year; the total funds received and allocations made; the total amount of loan moneys repaid to the Fund, and the total unallocated funds in the Fund.

The portion of the report prepared by the city shall include:

(1) The total amount of private funds that were committed and the amount that were invested in the designated downtown area during the preceding fiscal year;

(2) The total amount of local public matching funds that were raised, if required by subdivision (g)(2) of this section;

(3) The total amount of grant plus any loans received from the Main Street Financial Incentive Fund during the preceding fiscal year;

(4) The total amount of loan moneys repaid to the Main Street Financial Incentive Fund during the preceding fiscal year;

(5) A description of how the grant and loan moneys and funds from private investors were used during the preceding fiscal year;

(6) Details regarding the types of private investment created or stimulated, the dates of this activity, the amount of public money involved, and any other pertinent information, including any jobs created, businesses started, and number of jobs retained due to the approved activities."

Sec. 73. G.S. 143B-475(a) reads as rewritten:

"(a) All functions, powers, duties and obligations heretofore vested in the following subunits of the following departments are hereby transferred to and vested in the Department of Crime Control and Public Safety:

(1) The National Guard, Department of Military and Veterans Affairs;

(2) Civil Preparedness, Department of Military and Veterans Affairs;

(3) State Civil Air Patrol, Department of Military and Veterans Affairs;

(4) State Highway Patrol, Department of Transportation;

(5) State Board of Alcoholic Control Enforcement Division, Department of ~~Economic and Community Development;~~ Commerce;

(6) Governor's Crime Commission, Department of Natural and Economic Resources;

(7) Crime Control Division, Department of Natural and Economic Resources;

(8) Criminal Justice Information System Board, Department of Natural and Economic Resources; and

(9) Criminal Justice Information System Security and Privacy Board, Department of Natural and Economic Resources."

Sec. 74. G.S 147-45 reads as rewritten:

"*§ 147-45. Distribution of copies of State publications.*

The Secretary of State shall, at the State's expense, as soon as possible after publication, provide such number of copies of the Session Laws and Senate and House Journals to federal, State, and local governmental officials, departments and agencies, and to educational institutions of instruction and exchange use, as is set out in the table below:

Agency or Institution	Session Laws	Assembly Journals
Governor, Office of the	3	2
Lieutenant Governor, Office of the	1	1
Secretary of State, Department of the	3	3

Auditor, Department of the State	3	1
Treasurer, Department of the State	3	1
Local Government Commission	2	0
Public Education, Department of	1	0
Superintendent of Public Instruction	3	1
Controller	1	0
Division of Community Colleges	3	1
Regional Service Center	1 ea.	0
Justice, Department of		
Office of the Attorney General	25	3
Budget Bureau (Administration)	1	0
Property Control (Administration)	1	1
State Bureau of Investigation	1	0
Agriculture, Department of	3	1
Labor, Department of	5	1
Insurance, Department of	5	1
Administration, Department of	1	1
Budget Bureau	2	1
Controller	1	0
Property Control	1	0
Purchase and Contract	2	0
Policy and Development	1	0
Veterans Affairs Commission	1	0
Environment, Health, and Natural		
Resources, Department of	1	0
Division of Environmental Management	2	0
Board of Environment, Health, and		
Natural Resources	1	0
Soil and Water Conservation Commission	1	0
Wildlife Resources Commission	2	0
Revenue, Department of	5	1
Human Resources, Department of	3	0
Board of Human Resources	1	0
Health Services, Division of	3	0
Mental Health, ~~Mental Retardation [Developmental Disabilities],~~ Developmental Disabilities, and Substance Abuse Services, Division of	1	0
Social Services, Division of	3	0
Facilities Services, Division of	1	0
Youth Services, Division of	1	0
Hospitals and Institutions	1 ea.	0
Transportation, Department of	1	0
Board of Transportation	3	0

Motor Vehicles, Division of	1	0
~~Economic and Community Development.~~		
Commerce, Department of	1	0
Economic Development, Division of	2	0
State Ports Authority	1	0
Alcoholic Beverage Control Commission, North Carolina	2	0
Banking Commission	2	0
Utilities Commission	8	1
Industrial Commission	7	0
Labor Force Development Council	1	0
Milk Commission	5	0
Employment Security Commission	1	1
Correction, Department of	1	0
Department of Correction	2	0
Parole Commission	2	0
State Prison	1	0
Correctional Institutions	1 ea.	0
Cultural Resources, Department of	1	0
Archives and History, Division of	5	1
State Library	5	5
Publications Division	1	1
Crime Control and Public Safety, Department of	2	1
North Carolina Crime Commission	1	0
Adjutant General	2	0
Elections, State Board of	2	0
Office of Administrative Hearings	2	0
Legislative Branch		
State Senators	1 ea.	1 ea.
State Representatives	1 ea.	1 ea.
Principal Clerk -- Senate	1	1
Principal Clerk -- House	1	1
Reading Clerk -- Senate	1	1
Reading Clerk -- House	1	1
Sergeant at Arms -- House	1	1
Sergeant at Arms -- Senate	1	1
Enrolling Clerk	1	0
Engrossing Clerk	1	0
Indexer of the Laws	1	0
Legislative Building Library	35	15
Judicial System		
Justices of the Supreme Court	1 ea.	1 ea.
Judges of the Court of Appeals	1 ea.	1 ea.

Judges of the Superior Court	1 ea.	0
Emergency and Special Judges of the Superior Court	1 ea.	0
District Court Judges	1 ea.	0
District Attorneys	1 ea.	0
Clerk of the Supreme Court	1	1
Clerk of the Court of Appeals	1	1
Administrative Office of the Courts	4	1
Supreme Court Library	AS MANY AS REQUESTED	
Colleges and Universities		
The University North Carolina System Administrative Offices	3	0
University of North Carolina, Chapel Hill	65	25
University of North Carolina, Charlotte	3	1
University of North Carolina, Greensboro	3	1
University of North Carolina, Asheville	2	1
University of North Carolina, Wilmington	2	1
North Carolina State University, Raleigh	5	3
Appalachian State University	2	1
East Carolina University	3	2
Elizabeth City State University	2	1
Fayetteville State University	2	1
North Carolina Agricultural and Technical University	2	1
North Carolina Central University	5	5
Western Carolina University	2	1
Pembroke State University	2	1
Winston-Salem State University	2	1
North Carolina School of the Arts	1	1
Private Institutions		
Duke University	6	6
Davidson College	3	2
Wake Forest University	5	5
Lenoir Rhyne College	1	1
Elon College	1	1
Guilford College	1	1
Campbell College	5	5
Wingate College	1	1

Pfeiffer College	1	1
Barber Scotia College	1	1
Atlantic Christian College	1	1
Shaw University	1	1
St. Augustine's College	1	1
J.C. Smith University	1	1
Belmont Abbey College	1	1
Bennett College	1	1
Catawba College	1	1
Gardner-Webb College	1	1
Greensboro College	1	1
High Point College	1	1
Livingstone College	1	1
Mars Hill College	1	1
Meredith College	1	1
Methodist College	1	1
North Carolina Wesleyan College	1	1
Queens College	1	1
Sacred Heart College	1	1
St. Andrews Presbyterian College	1	1
Salem College	1	1
Warren Wilson College	1	1
County and Local Officials		
Clerks of the Superior Court	1 ea.	1 ea.
Register of Deeds	1 ea.	1 ea.
Federal, Out-of-State and Foreign		
Secretary to the President	1	0
Secretary of State	1	1
Secretary of Defense	1	0
Secretary of Agriculture	1	0
Secretary of the Interior	1	0
Secretary of Labor	1	1
Secretary of Commerce	1	1
Secretary of the Treasury	1	0
Secretary of Health, Education and Welfare	1	0
Secretary of Housing and Urban Development	1	0
Secretary of Transportation	1	0
Attorney General	1	0
Postmaster General	1	0
Bureau of Census	1	0
Bureau of Public Roads	1	0
Department of Justice	1	0

Department of Internal Revenue	1	0
Veterans' Administration	1	0
Farm Credit Administration	1	0
Securities and Exchange Commission	1	0
Social Security Board	1	0
Environmental Protection Agency	1	0
Library of Congress	8	2
Federal Judges resident in North Carolina	1 ea.	0
Federal District Attorneys resident in North Carolina	1 ea.	0
Marshal of the United States Supreme Court	1	0
Federal Clerks of Court resident in North Carolina	1 ea.	0
Supreme Court Library exchange list	1 ea.	0

One copy of the Session Laws shall be furnished the head of any department of State government created in the future.

State agencies, institutions, etc., not found in or covered by this list may, upon written request from their respective department head to the Secretary of State, and upon the discretion of the Secretary of State as to need, be issued copies of the Session Laws on a permanent loan basis with the understanding that should said copies be needed they will be recalled."

Sec. 75. G.S. 147-69.1(c) reads as rewritten:

"(c) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (b) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

(1) Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States;

(2) Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service, the Export-Import Bank, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the Student Loan Marketing Association.

(3) Repurchase Agreements with respect to securities issued or guaranteed by the United States government or its agencies or other securities eligible for investment by this section executed by a bank or trust company or by primary or other reporting dealers to the Federal Reserve Bank of New York.

(4) Obligations of the State of North Carolina;

(5) a. Savings certificates issued by any savings and loan association organized under the laws of the State of North Carolina or by any federal savings and loan association having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Administrator of the Savings Institutions Division of the Department of ~~Economic and Community Development~~ Commerce of the State of North Carolina, be fully collateralized;

b. Certificates of deposit issued by banks organized under the laws of the State of North Carolina, or by any national bank having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, be fully collateralized;

c. With respect to savings certificates and certificates of deposit, the rate of return or investment yield may not be less than that available in the market on United States government or agency obligations of comparable maturity;

d. Shares of or deposits in any savings and loan association organized under the laws of the State of North Carolina, or any federal savings and loan association having its principal office in North Carolina; provided that any moneys invested in such shares or deposits in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Administrator of the Savings Institutions Division of the Department of ~~Economic and Community Development~~ Commerce of the State of North Carolina, be fully secured by surety bonds, or be fully collateralized.

e. Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any

nationally recognized rating service which rates the particular obligation.

f. Bills of exchange or time drafts drawn on and accepted by a commercial bank and eligible for use as collateral by member banks in borrowing from a federal reserve bank, provided that the accepting bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.

g. Asset-backed securities (whether considered debt or equity) provided they bear the highest rating of at least one nationally recognized rating service and do not bear a rating below the highest rating by any nationally recognized rating service which rates the particular securities.

h. Corporate bonds and notes provided they bear the highest rating of at least one nationally recognized rating service and do not bear a rating below the highest by any nationally recognized rating service which rates the particular obligation.

(6) Repealed by Session Laws 1989 (Regular Session, 1990), c. 813, s. 10."

Sec. 76. G.S. 150B-38(a) reads as rewritten:

"(a) The provisions of this Article shall apply to the following agencies:

(1) Occupational licensing agencies;

(2) The State Banking Commission, the Commissioner of Banks, the Savings Institutions Division of the Department of ~~Economic and Community Development,~~ Commerce, and the Credit Union Division of the Department of ~~Economic and Community Development;~~ Commerce; and

(3) The Department of Insurance and the Commissioner of Insurance."

Sec. 77. G.S. 159-30(c)(5) reads as rewritten:

"(5) Savings certificates issued by any savings and loan association organized under the laws of the State of North Carolina or by any federal savings and loan association having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Administrator of the Savings Institutions Division of

the Department of ~~Economic and Community Development~~ Commerce of the State of North Carolina, be fully collateralized."

Sec. 78. G.S. 159C-4 reads as rewritten:

"*§ 159C-4. Creation of authorities.*

(a) The governing body of any county is hereby authorized to create by resolution a political subdivision and body corporate and politic of the State known as 'The ..... (the blank space to be filled in with the name of the county) County Industrial Facilities and Pollution Control Financing Authority,' which shall consist of a board of seven commissioners, to be appointed by the governing body of such county in the resolution creating such authority, or by subsequent resolution. At least 30 days prior to the adoption of such resolution, the governing body of such county shall file with the Department of ~~Economic and Community Development~~ Commerce and the Local Government Commission of the State notice of its intention to adopt a resolution creating an authority. At the time of the appointment of the first board of commissioners the governing body of the county shall appoint two commissioners for initial terms of two years each, two commissioners for initial terms of four years each and three commissioners for initial terms of six years each and thereafter the terms of all commissioners shall be six years, except appointments to fill vacancies which shall be for the unexpired terms. Each appointed commissioner before entering upon his duties shall take and subscribe to an oath before some person authorized by law to administer oaths to execute the duties of his office faithfully and impartially, and a record of each such oath shall be filed with the governing body of the county and entered in its minutes. All authority commissioners will serve at the pleasure of the governing body of the county. If at the end of any term of office of any commissioner a successor thereto shall not have been appointed, then the commissioner whose term of office shall have expired shall continue to hold office until his successor shall be so appointed and qualified.

(b) Each commissioner of an authority shall be a qualified elector and resident of the county for which the authority is created, and no commissioner shall be an elected official of the county for which the authority is created. Any commissioner of an authority may be removed, with or without cause, by the governing body of the county.

(c) The board of commissioners of the authority shall annually elect from its membership a chairman and a vice-chairman and another person or persons, who may but need not be commissioners, as treasurer, secretary and, if desired, assistant secretary. The position of secretary and treasurer or assistant secretary and treasurer may be held by the same person. The secretary of the authority shall keep a record of the proceedings of the authority and shall be the

custodian of all books, documents and papers filed with the authority, the minute book or journal of the authority and its official seal. Either the secretary or the assistant secretary of the authority may cause copies to be made of all minutes and other records and documents of the authority and may give certificates under the official seal of the authority to the effect that such copies are true copies, and all persons dealing with the authority may rely upon such certificates.

(d) A majority of the commissioners of an authority then in office shall constitute a quorum. The affirmative vote of a majority of the commissioners of an authority then in office shall be necessary for any action taken by the authority. A vacancy in the board of commissioners of the authority shall not impair the right of a quorum to exercise all the rights and perform all the duties of the authority. Any action taken by the authority under the provisions of this Chapter may be authorized by resolution at any regular or special meeting, and each resolution shall take effect immediately and need not be published or posted. No bonds shall be issued under the provisions of this Chapter unless the issuance thereof shall have been approved by the governing body of the county.

(e) No commissioner of an authority shall receive any compensation for the performance of his duties under this Chapter; provided, however, that each commissioner shall be reimbursed for his necessary expenses incurred while engaged in the performance of duties but only from moneys provided by obligors.

(f) Within 30 days of the date of creation of the authority, the authority shall advise the Department of ~~Economic and Community Development~~ Commerce and the Local Government Commission that an authority has been formed. The authority shall also furnish such Department and such Commission with (i) a list of its commissioners and its officers and (ii) a description of any projects that are under consideration by the authority. The authority shall, from time to time, notify the Department of ~~Economic and Community Development~~ Commerce and the Local Government Commission of changes in commissioners and officers and of new projects under consideration by the authority."

Sec. 79. G.S. 159C-7 reads as rewritten:

"*§ 159C-7. Approval of project.*

No bonds may be issued by an authority unless the project for which the issuance thereof is proposed is first approved by the Secretary of ~~Economic and Community Development.~~ Commerce. The authority shall file an application for approval of its proposed project with the Secretary of ~~Economic and Community Development,~~ Commerce, and shall notify the Local Government Commission of such filing.

The Secretary shall not approve any proposed project unless he shall make all of the following, applicable findings:

(1) In the case of a proposed industrial project,
   a. That the operator of the proposed project pays, or has agreed to pay thereafter, an average weekly manufacturing wage (i) which is above the average weekly manufacturing wage paid in the county, or (ii) which is not less than ten percent (10%) above the average weekly manufacturing wage paid in the State, and
   b. That the proposed project will not have a materially adverse effect on the environment;

(2) In the case of a proposed pollution control project, that such project will have a materially favorable impact on the environment or will prevent or diminish materially the impact of pollution which would otherwise occur; and

(2a) In the case of a hazardous waste facility or low-level radioactive waste facility which is used as a reduction, recovery or recycling facility, that such project will further the waste management goals of North Carolina and will not have an adverse effect upon public health or a significant adverse effect on the environment.

(3) In any case (whether the proposed project is an industrial or a pollution control project), except a pollution control project for a public utility,
   a. That the jobs to be generated or saved, directly or indirectly, by the proposed project will be large enough in number to have a measurable impact on the area immediately surrounding the proposed project and will be commensurate with the size and cost of the proposed project,
   b. That the proposed operator of the proposed project has demonstrated or can demonstrate the capability to operate such project, and
   c. That the financing of such project by the authority will not cause or result in the abandonment of an existing industrial or manufacturing facility of the proposed operator or an affiliate elsewhere within the State unless the facility is to be abandoned because of obsolescence, lack of available labor in the area, or site limitations.

In no case shall the Secretary of ~~Economic and Community Development~~ Commerce make the findings required by subdivisions (1)b and (2) of this section unless he shall have first received a certification from the Department of Environment, Health, and

Natural Resources that, in the case of a proposed industrial project, the proposed project will not have a materially adverse effect on the environment and that, in the case of a proposed pollution control project, the proposed project will have a materially favorable impact on the environment or will prevent or diminish materially the impact of pollution which would otherwise occur. In no case shall the Secretary of ~~Economic and Community Development~~ Commerce make the findings required by subdivision (2a) unless he shall have first received a certification from the Department of Environment, Health, and Natural Resources that the proposed project is environmentally sound, will not have an adverse effect on public health and will further the waste management goals of North Carolina. In any case where the Secretary shall make all of the required findings respecting a proposed industrial project except that prescribed in subparagraph (1)a of this section, the Secretary may, in his discretion, approve the proposed project if he shall have received (i) a resolution of the governing body of the county requesting that the proposed project be approved notwithstanding that the operator will not pay an average weekly manufacturing wage above the average weekly manufacturing wage in the county and (ii) a letter from an appropriate State official, selected by the Secretary, to the effect that unemployment in the county is especially severe.

To facilitate his review of each proposed project, the Secretary may require the authority to obtain and submit such data and information about such project as the Secretary may prescribe. In addition, the Secretary may, in his discretion, request the authority to hold a public hearing on the proposed project for the purpose of providing the Secretary directly with the views of the community to be affected. The Secretary may also prescribe such forms and such rules and regulations as he shall deem reasonably necessary to implement the provisions of this section.

If the Secretary approves the proposed project, he shall prepare a certificate of approval evidencing such approval and setting forth his findings and shall cause said certificate of approval to be published in a newspaper of general circulation within the county. Any such approval shall be reviewable as provided in Article 4 of Chapter 150B of the General Statutes of North Carolina only by an action filed, within 30 days after notice of such findings and approval shall have been so published, in the Superior Court of Wake County. Such superior court is hereby vested with jurisdiction to hear such action, but if no such action is filed within the 30 days herein prescribed, the validity of such approval shall be conclusively presumed, and no court shall have authority to inquire into such approval. Copies of the certificate of approval of the proposed project will be given to the

authority, the governing body of the county and the Secretary of the Local Government Commission.

Such certificate of approval shall become effective immediately following the expiration of such 30-day period or the expiration of any appeal period after a final determination by any court of any action timely filed pursuant to this section. Such certificate shall expire one year after its date unless extended by the Secretary who shall not extend such certificate unless he shall again approve the proposed project as provided in this section."

Sec. 80. G.S. 159C-8 reads as rewritten:

"*§ 159C-8. Approval of bonds.*

No bonds may be issued by an authority unless the issuance thereof is first approved by the Local Government Commission.

The authority shall file an application for approval of its proposed bond issue with the Secretary of the Local Government Commission, and shall notify the Secretary of the Department of ~~Economic and Community Development~~ Commerce of such filing.

In determining whether a proposed bond issue should be approved, the Local Government Commission may consider, without limitation, the following:

(1) Whether the proposed operator and obligor have demonstrated or can demonstrate the financial responsibility and capability to fulfill their obligations with respect to the financing agreement. In making such determination, the Commission may consider the operator's experience and the obligor's ratio of current assets to current liabilities, net worth, earnings trends and coverage of fixed charges, the nature of the industry or business involved and its stability and any additional security such as insurance, guaranties or property to be pledged to secure such bonds.

(2) Whether the political subdivisions in or near which the proposed project is to be located have the ability to cope satisfactorily with the impact of such project and to provide, or cause to be provided, the public facilities and services, including utilities, that will be necessary for such project and on account of any increase in population which are expected to result therefrom.

(3) Whether the proposed date and manner of sale will have an adverse effect upon any scheduled or anticipated sale of obligations by the State or any political subdivision or any agency of either of them.

To facilitate the review of the proposed bond issue by the Commission, the Secretary may require the authority to obtain and submit such financial data and information about the proposed bond

issue and the security therefor, including the proposed prospectus or offering circular, the proposed financing agreement and security document and annual and other financial reports and statements of the obligor, as the Secretary may prescribe. The Secretary may also prescribe such forms and such rules and regulations as he shall deem reasonably necessary to implement the provisions of this section."

Sec. 81. G.S. 159D-4(h) reads as rewritten:

"(h) Within 30 days of the date of creation of the authority, the authority shall advise the Department of ~~Economic and Community Development~~ Commerce and the Local Government Commission that an authority has been formed. The authority shall also furnish such Department and such Commission with (i) a list of its commissioners and its officers and (ii) a description of any projects that are under consideration by the authority. The authority shall, from time to time, notify the Department of ~~Economic and Community Development~~ Commerce and the Local Government Commission of changes in the commissioners and officers, of counties which have become members of the authority and of new projects under consideration by the authority."

Sec. 82. G.S. 159D-7 reads as rewritten:

"*§ 159D-7. Approval of project.*

No bonds may be issued by the authority unless the project for which the issuance thereof is proposed is first approved by the Secretary of ~~Economic and Community Development.~~ Commerce. The authority shall file an application for approval of its proposed project with the Secretary of ~~Economic and Community Development,~~ Commerce, and shall notify the Local Government Commission of such filing.

The Secretary shall not approve any proposed project unless he shall make all of the following, applicable findings:

(1) In the case of a proposed industrial project,

a. That the operator of the proposed project pays, or has agreed to pay thereafter, an average weekly manufacturing wage (i) which is above the average weekly manufacturing wage paid in the county in which the project is to be located or (ii) which is not less than ten percent (10%) above the average weekly manufacturing wage paid in the State; and

b. That the proposed project will not have a materially adverse effect on the environment;

(2) In the case of a proposed pollution control project, that such project will have a materially favorable impact on the environment or will prevent or diminish materially the impact of pollution which would otherwise occur; and

(2a) In the case of a hazardous waste facility or low-level radioactive waste facility which is used as a reduction, recovery or recycling facility, that such project will further the waste management goals of North Carolina and will not have an adverse effect upon public health or a significant adverse effect on the environment; and

(3) In any case (whether the proposed project is an industrial or a pollution control project),

a. That the jobs to be generated or saved, directly or indirectly, by the proposed project will be large enough in number to have a measurable impact on the area immediately surrounding the proposed project and will be commensurate with the size and cost of the proposed project,

b. That the proposed operator of the proposed project has demonstrated or can demonstrate the capability to operate such project, and

c. That the financing of such project by the authority will not cause or result in the abandonment of an existing industrial or manufacturing facility of the proposed operator or an affiliate elsewhere within the State unless the facility is to be abandoned because of obsolescence, lack of available labor in the area, or site limitations.

In no case shall the Secretary of ~~Economic and Community Development~~ Commerce make the findings required by subdivisions (1)b and (2) of this section unless he shall have first received a certification from the Department of Environment, Health, and Natural Resources that, in the case of a proposed industrial project, the proposed project will not have a materially adverse effect on the environment and that, in the case of a proposed pollution control project, the proposed project will have a materially favorable impact on the environment or will prevent or diminish materially the impact of pollution which would otherwise occur. In no case shall the Secretary of ~~Economic and Community Development~~ Commerce make the findings required by subdivision (2a) unless he shall have first received a certification from the Department of Environment, Health, and Natural Resources that the proposed project is environmentally sound, will not have an adverse effect on public health and will further the waste management goals of North Carolina. In any case where the Secretary shall make all of the required findings respecting a proposed industrial project, except that prescribed in subdivision (1)a of this section, the Secretary may, in his discretion, approve the proposed project if he shall have received (i) a resolution of the governing body of the county in which the proposed project is to be

located requesting that the proposed project be approved notwithstanding that the operator will not pay an average weekly manufacturing wage above the average weekly manufacturing wage in the county and (ii) a letter from an appropriate State official, selected by the Secretary, to the effect that unemployment in the county is especially severe.

To facilitate his review of each proposed project, the Secretary may require the authority to obtain and submit such data and information about such project as the Secretary may prescribe. In addition, the Secretary may, in his discretion, request the authority to hold a public hearing on the proposed project for the purpose of providing the Secretary directly with the views of the community to be affected. The Secretary may also prescribe such forms and such rules and regulations as he shall deem reasonably necessary to implement the provisions of this section.

If the Secretary approves the proposed project, he shall prepare a certificate of approval evidencing such approval and setting forth his findings and shall cause said certificate of approval to be published in a newspaper of general circulation within the county in which the proposed project is to be located. Any such approval shall be reviewable as provided in Article 4 of Chapter 150B of the General Statutes of North Carolina only by an action filed, within 30 days after notice of such findings and approval shall have been so published, in the Superior Court of Wake County. Such superior court is hereby vested with jurisdiction to hear such action, but if no such action is filed within the 30 days herein prescribed, the validity of such approval shall be conclusively presumed, and no court shall have authority to inquire into such approval. Copies of the certificate of approval of the proposed project will be given to the authority, the governing body of the county in which the proposed project is to be located and the secretary of the Local Government Commission.

Such certificate of approval shall become effective immediately following the expiration of such 30-day period or the expiration of any appeal period after a final determination by any court of any action timely filed pursuant to this section. Such certificate shall expire one year after its date unless extended by the Secretary who shall not extend such certificate unless he shall again approve the proposed project as provided in this section. Any certificate of approval with respect to a project which has become effective pursuant to G.S. 159C-7 shall be deemed to satisfy the requirements of this section to the extent that the findings made by the Secretary pursuant to G.S. 159C-7 are consistent with the findings required to be made by the Secretary pursuant hereto."

Sec. 83. G.S. 159D-8 reads as rewritten:

"§ *159D-8. Approval of bonds.*

No bonds may be issued by the authority unless the issuance thereof is first approved by the Local Government Commission.

The authority shall file an application for approval of its proposed bond issue with the secretary of the Local Government Commission, and shall notify the Secretary of the Department of ~~Economic and Community Development~~ Commerce of such filing.

In determining whether a proposed bond issue should be approved, the Local Government Commission may consider, without limitation, the following:

(1) Whether the proposed operator and obligor have demonstrated or can demonstrate the financial responsibility and capability to fulfill their obligations with respect to the financing agreement. In making such determination, the commission may consider the operator's experience and the obligor's ratio of current assets to current liabilities, net worth, earnings trends and coverage of fixed charges, the nature of the industry or business involved and its stability and any additional security such as insurance, guaranties or property to be pledged or secure such bonds.

(2) Whether the political subdivisions in or near which the proposed project is to be located have the ability to cope satisfactorily with the impact of such project and to provide, or cause to be provided, the public facilities and services, including utilities, that will be necessary for such project and on account of any increase in population which are expected to result therefrom.

(3) Whether the proposed date and manner of sale will have an adverse effect upon any scheduled or anticipated sale of obligations by the State or any political subdivision or any agency of either of them.

To facilitate the review of the proposed bond issue by the commission, the Secretary may require the authority to obtain and submit such financial data and information about the proposed bond issue and the security therefor, including the proposed prospectus or offering circular, the proposed financing agreement and security document and annual and other financial reports and statements of the obligor, as the Secretary may prescribe. The Secretary may also prescribe such forms and such rules and regulations as he shall deem reasonably necessary to implement the provisions of this section."

Sec. 84. G.S. 168-2 reads as rewritten:

"§ *168-2. Right of access to and use of public places.*

Handicapped persons have the same right as the ablebodied to the full and free use of the streets, highways, sidewalks, walkways, public

buildings, public facilities, and all other buildings and facilities, both publicly and privately owned, which serve the public. The Department of Human Resources shall develop, print, and promote the publication ACCESS NORTH CAROLINA. It shall make copies of the publication available to the Department of ~~Economic and Community Development~~ Commerce for its use in Welcome Centers and other appropriate Department of ~~Economic and Community Development~~ Commerce offices. The Department of Economic and Community Development shall promote ACCESS NORTH CAROLINA in its publications (including providing a toll-free telephone line and an address for requesting copies of the publication) and provide technical assistance to the Department of Human Resources on travel attractions to be included in ACCESS NORTH CAROLINA. The Department of ~~Economic and Community Development~~ Commerce shall forward all requests for mailing ACCESS NORTH CAROLINA to the Department of Human Resources."

Sec. 85. (a) The Revisor of Statutes is authorized to correct any reference or citation in the General Statutes to any portion of the General Statutes which is amended by this act by deleting incorrect references and substituting correct references.

(b) The Revisor of Statutes is authorized to delete any reference to the Department of Economic and Community Development, the Secretary of Economic and Community Development, or their predecessors in any portion of the General Statutes to which conforming amendments are not made by this act and to substitute, as appropriate and consistent with this act, any of the following phrases: Department of Commerce or Secretary of Commerce.

Sec. 86. Every act of the Department to which this act applies which occurred prior to the date this act is ratified and which is otherwise valid continues to be valid and effective notwithstanding any change in name.

Sec. 87. Nothing in this act shall be construed to obligate the General Assembly to appropriate funds to implement the provisions of this act.

Sec. 88. This act becomes effective January 1, 1993, except that Section 87 becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

H.B. 397 **CHAPTER 960**

AN ACT TO CLARIFY THE AUTHORITY OF THE COURTS TO EQUITABLY DIVIDE PENSION, RETIREMENT, AND DEFERRED COMPENSATION PLAN BENEFITS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 50-20(b) reads as rewritten:

"(b) For purposes of this section:

(1) 'Marital property' means all real and personal property acquired by either spouse or both spouses during the course of the marriage and before the date of the separation of the parties, and presently owned, except property determined to be separate property in accordance with subdivision (2) of this section. Marital property includes all vested pension, retirement, and other deferred compensation rights, including military pensions eligible under the federal Uniformed Services Former Spouses' Protection Act.

(2) 'Separate property' means all real and personal property acquired by a spouse before marriage or acquired by a spouse by bequest, devise, descent, or gift during the course of the marriage. However, property acquired by gift from the other spouse during the course of the marriage shall be considered separate property only if such an intention is stated in the conveyance. Property acquired in exchange for separate property shall remain separate property regardless of whether the title is in the name of the husband or wife or both and shall not be considered to be marital property unless a contrary intention is expressly stated in the conveyance. The increase in value of separate property and the income derived from separate property shall be considered separate property. All professional licenses and business licenses which would terminate on transfer shall be considered separate property. The expectation of nonvested pension, retirement, or other deferred compensation rights shall be considered separate property.

(3) 'Distributive award' means payments that are payable either in a lump sum or over a period of time in fixed amounts, but shall not include alimony payments or other similar payments for support and maintenance which are treated as ordinary income to the recipient under the Internal Revenue Code.

The distributive award of vested pension, retirement, and other deferred compensation benefits may be made payable:

a. As a lump sum by agreement;
b. Over a period of time in fixed amounts by agreement;
c. As a prorated portion of the benefits made to the designated recipient at the time the party against whom the award is made actually begins to receive the benefits; or
d. By awarding a larger portion of other assets to the party not receiving the benefits, and a smaller share of other assets to the party entitled to receive the benefits.

Notwithstanding the foregoing, the court shall not require the administrator of the fund or plan involved to make any payments until the party against whom the award is made actually begins to receive the ~~benefits.~~ benefits unless a plan under the Employee Retirement Income Security Act (ERISA) permits earlier distribution. The award shall be determined using the proportion of time the marriage existed, (up to the date of separation of the parties), simultaneously with the employment which earned the vested pension, retirement, or deferred compensation benefit, to the total amount of time of employment. The award shall be based on the vested accrued benefit, as provided by the plan or fund, calculated as of the date of separation, and shall not include contributions, years of service or compensation which may accrue after the date of separation. The award shall include gains and losses on the prorated portion of the benefit vested at the date of separation. No award shall exceed fifty percent (50%) of the benefits the person against whom the award is made is entitled to receive as vested pension, retirement, or other deferred compensation ~~benefits.~~ benefits, except that an award may exceed fifty percent (50%) if (i) other assets subject to equitable distribution are insufficient; or (ii) there is difficulty in distributing any asset or any interest in a business, corporation, or profession; or (iii) it is economically desirable for one party to retain an asset or interest that is intact and free from any claim or interference by the other party; or (iv) more than one pension or retirement system or deferred compensation plan or fund is involved, but the benefits awarded may not exceed fifty percent (50%) of the total benefits of all the plans added together; or (v) both parties consent. In no event shall an award exceed fifty percent (50%) if a plan prohibits an award in excess of fifty percent (50%).

In the event the person receiving the award dies, the unpaid balance, if any, of the award shall pass to the beneficiaries of the recipient by will, if any, or by intestate ~~succession.~~ succession, or by beneficiary designation with the plan consistent with the terms of the plan unless the plan prohibits such a designation. In the event the person against whom the award is made dies, the award to the recipient shall remain payable to the extent permitted by the pension or retirement system or deferred compensation plan or fund involved.

The Court may require distribution of the award by means of a qualified domestic relations order, as defined in Section 414(p) of the Internal Revenue Code of 1986. To facilitate the calculation and payment of distributive awards, the administrator of the system, plan or fund may be ordered to certify the total contributions, years of service, and pension, retirement, or other deferred compensation benefits payable.

The provisions of this section and G.S. 50-21 shall apply to all pension, retirement, and other deferred compensation plans and funds, including military pensions eligible under the Federal Uniform Services Former Spouses Protection Act, and including funds administered by the State pursuant to Articles 84 through 88 of Chapter 58 and Chapters 120, 127A, 128, 135, 143, 143B, and 147 of the General Statutes, to the extent of a member's accrued benefit at the date of separation, as determined by the court."

Sec. 2. This act becomes effective October 1, 1992, and applies to actions for equitable distribution pending or filed on or after that date.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

H.B. 1350 **CHAPTER 961**

AN ACT TO MAKE TECHNICAL AND ADMINISTRATIVE CHANGES RELATING TO PROPERTY TAXES ON MOTOR VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-333 reads as rewritten:

"§ *105-333. Definitions.*

When used in this Article unless the context requires a different meaning:

(1) 'Airline company' means a public service company engaged in the business of transporting passengers and property by aircraft for hire within, into, or from this State.

(2) 'Bus line company' means a public service company engaged in the business of transporting passengers and property by motor vehicle for hire over the public highways of this State (but not including a bus line company operating primarily upon the public streets within a single local taxing unit), whether the transportation be within, into, or from this State.

(3) 'Distributable system property' means all real property and tangible and intangible personal property owned or used by a railroad company other than nondistributable system property.

(4) 'Electric membership corporation' means a public service company which is organized, reorganized, or domesticated under the provisions of Chapter 117 of the General Statutes and which is engaged in the business of supplying electricity for light, heat, or power to consumers in this State.

(5) 'Electric power company' means a public service company engaged in the business of supplying electricity for light, heat, or power to consumers in this State.

(6) Repealed by Session Laws 1973, c. 783, s. 5, effective January 1, 1974.

(7) 'Flight equipment' means aircraft fully equipped for flying and used in any operation within this State.

(8) 'Gas company' means a public service company engaged in the business of supplying artificial or natural gas to, from, within, or through this State through pipe or tubing for light, heat, or power to consumers in this State.

(9) 'Locally assigned rolling stock' means ~~motor vehicles (other than passenger cars and service vehicles) which are~~ rolling stock that is owned or leased by a motor freight carrier ~~company and~~ company, specifically assigned to a terminal or other ~~premises~~ premises, and is regularly used at the premises to which ~~assigned for the pickup and delivery of local freight.~~ assigned.

(10) 'Motor freight ~~carrier' company~~ carrier company' means a public service company engaged in the business of transporting property by motor vehicle for hire over the public highways of this State as herein provided:

a. As to interstate carrier companies domiciled in North Carolina, this definition shall include carriers who

regularly transport property by tractor trailer to or from one or more terminals owned or leased by the carrier outside this State or two or more terminals inside this State. For purposes of appraisal and allocation only, the definition shall also include a North Carolina interstate carrier which does not have a terminal outside this State but whose operations outside the State are sufficient to require the payment of ad valorem taxes on a portion of the value of the rolling stock of such carrier to taxing units in one or more other states.

b. As to interstate carrier companies domiciled outside this State, this definition shall include carriers who regularly transport property by tractor trailer to or from one or more terminals owned or leased by the carrier inside this State.

c. As to intrastate carrier companies, this definition shall include only those carriers which are engaged in the transportation of property by tractor trailer to or from two or more terminals owned or leased by the carrier in this State.

(11) 'Nondistributable system property' means the following properties owned by a railroad company: Land other than right-of-way, depots, machine shops, warehouses, office buildings, other structures, and the contents of the structures listed in this subdivision.

(12) 'Nonsystem property' means the real and tangible personal property owned by a public service company but not used in its public service activities.

(13) 'Pipeline company' means a public service company engaged in the business of transporting natural gas, petroleum products, or other products through pipelines to, from, within, or through this State, or having control of pipelines for such a purpose.

(14) 'Public service company' means railroad company, pipeline company, gas company, electric power company, electric membership corporation, telephone company, telegraph company, bus line company, motor freight carrier company, airline company, and any other company performing a public service that is regulated by the Interstate Commerce Commission, the Federal Power Commission, the Federal Communications Commission, the Federal Aviation Agency, or the North Carolina Utilities Commission except a water company, a radio common carrier company as defined in G.S. 62-119(3), a

cable television company, or a radio or television broadcasting company. (For purposes of appraisal under this Article, this definition shall include a pipeline company whether or not it performs a public service and whether or not it is regulated by one of the agencies named in the preceding sentence.)

(15) 'Railroad company' means a public service company engaged in the business of operating a railroad to, from, within or through this State on rights-of-way owned or leased by the company. It also means a company operating a passenger service on the lines of any railroad located wholly or partly in this State.

(16) 'Rolling stock' means ~~buses, trucks, tractor trucks, trailers, semitrailers, combinations thereof, and other motor vehicles (except passenger cars and service vehicles), and railroad locomotives and cars, which~~ motor vehicles, railroad locomotives, and railroad cars that are propelled by mechanical or electrical power and used upon the highways or, in the case of ~~railroads,~~ railroad vehicles, upon tracks.

(17) 'System property' means the real property and tangible and intangible personal property used by a public service company in its public service activities. It also means public service company property under construction on the day as of which property is assessed which when completed will be used by the owner in its public service activities.

(18) 'Telegraph company' means a public service company engaged in the business of transmitting telegraph messages to, from, within, or through the State.

(19) 'Telephone company' means a public service company engaged in the business of transmitting telephone messages and conversations to, from, within, or through this State.

(20) Repealed by Session Laws 1973, c. 783, s. 5, effective January 1, 1974."

Sec. 2. G.S. 105-329 is repealed.

Sec. 3. G.S. 105-330.1 reads as rewritten:

"*§ 105-330.1. (Effective January 1, 1993) Classification of motor vehicles.*

All motor vehicles, except (i) motor vehicles exempt from registration pursuant to G.S. 20-51, (ii) manufactured ~~homes and (ii)~~ homes, mobile classrooms, and mobile offices, (iii) semitrailers registered on a multiyear basis under G.S. 20-88(c), and (iv) motor vehicles owned or leased by a public service company ~~or leased by a public service company and included in the company's system property under G.S. 105-335(b)(1),~~ and appraised under G.S. 105-

335, are hereby designated a special class of property under authority of Article V, Sec. 2(2) of the North Carolina Constitution. Classified motor vehicles shall be listed and assessed as provided in this Article and taxes on classified motor vehicles shall be collected as provided in this Article."

Sec. 4. G.S. 105-330.2 reads as rewritten:

"*§ 105-330.2. (Effective January 1, 1993) Appraisal, ownership, and situs.*

(a) The value of a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(1) ~~that is registered~~ shall be determined annually as of January 1 preceding the date a new registration is applied for or the current registration is renewed. If the value of a new motor vehicle cannot be determined as of January 1 preceding the date the new registration is applied for, the value of that vehicle shall be determined for that year as of the date that model vehicle is first offered for sale at retail in this State. The ownership, situs, and taxability of a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(1) shall be determined annually as of the day on which the current vehicle registration is renewed or the day on which a new registration is applied for. ~~first day of the month in which the new registration is applied for.~~

The value of a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(2) ~~that is unregistered~~ shall be determined as of January 1 of the year in which the motor vehicle is required to be listed pursuant to G.S. 105-330.3(a)(2). ~~The ownership, situs, and taxability of a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(1) shall be determined annually as of the day on which the current vehicle registration is renewed or the day on which a new registration is applied for.~~ The ownership, situs, and taxability of a classified motor vehicle listed or discovered pursuant to G.S. 105-330.3(a)(2) shall be determined as of January 1 of the year in which the motor vehicle is required to be listed.

(b) A classified motor vehicle shall be appraised by the assessor at its true value in money as prescribed by G.S. 105-283. The owner of a classified motor vehicle may appeal the ~~appraisal.~~ appraised value, situs, or taxability of the vehicle in the manner provided by G.S. 105-312(d) for appeals in the case of discovered property. The owner of a classified motor vehicle must file an appeal with the assessor within 30 days after the date of the tax notice prepared pursuant to G.S. 105-330.5. Notwithstanding G.S. 105-312(d), an owner who appeals the listing, valuation, or assessment of a classified motor vehicle shall pay the tax on the vehicle when due, subject to a full or partial refund if the appeal is decided in the owner's favor.

(c) The Department of Revenue, acting through the Property Tax Division, and the Department of Transportation, acting through the Division of Motor Vehicles, shall enter into a memorandum of understanding concerning the vehicle identification information, name and address of the owner, and other information that will be required on the motor vehicle registration forms to implement the tax listing and collection provisions of this ~~Article, and this information shall appear on the forms beginning January 1, 1993.~~ Article."

Sec. 5. G.S. 105-330.4 reads as rewritten:

"*§ 105-330.4. (Effective January 1, 1993) Due date, interest, and enforcement remedies.*

(a) ~~Taxes on a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(1) shall be due each year on the first day of the fourth month following the date the registration expires or on the first day of the fourth month following the last day of the month in which the new registration is applied for.~~ Taxes on a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(2) shall be due on September 1 following the date by which the vehicle was required to be listed. Taxes on a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(1) shall be due each year on the following dates:

(1) For a vehicle registered under the staggered system, taxes shall be due on the first day of the fourth month following the date the registration expires or on the first day of the fourth month following the last day of the month in which the new registration is applied for.

(2) For a vehicle registered under the annual system, taxes shall be due on May 1 following the date the registration expired or following the December in which a new registration was obtained.

(b) Subject to the provisions of G.S. 105-395.1, interest on unpaid taxes on classified motor vehicles listed pursuant to G.S. 105-330.3(a)(1) accrues at the rate of three-fourths of one percent (3/4%) per month beginning the first month following the date the taxes were due until the taxes are paid. Subject to the provisions of G.S. 105-395.1, interest on delinquent taxes on classified motor vehicles listed pursuant to G.S. 105-330.3(a)(2) accrues as provided in G.S. 105-360(a) and discounts shall be allowed as provided in G.S. 105-360(c).

(c) Unpaid taxes on classified motor vehicles may be collected by levying on the motor vehicle taxed or on any other personal property of the taxpayer pursuant to G.S. 105-366 and G.S. 105-367, or by garnishment of the taxpayer's property pursuant to G.S. 105-368. Notwithstanding the provisions of G.S. 105-366(b), the enforcement measures of levy, attachment, and garnishment may be used to collect unpaid taxes on classified motor vehicles listed pursuant to G.S. 105-

330.3(a)(1) at any time after interest accrues. Notwithstanding the provisions of G.S. 105-355, taxes on classified motor vehicles listed pursuant to G.S. 105-330.3(a)(1) do not become a lien on real property owned by the taxpayer."

Sec. 6. G.S. 105-330.5 reads as rewritten:

"*§ 105-330.5. (Effective January 1, 1993) Listing and collecting procedures.*

(a) For classified motor vehicles listed pursuant to G.S. 105-330.3(a)(1), upon receiving the registration lists from the Division of Motor Vehicles each month, the assessor shall prepare a tax notice for each vehicle; the tax notice shall contain all county, municipal, and special district taxes due on the motor vehicle. In computing the taxes, the assessor shall appraise the motor vehicle in accordance with G.S. 105-330.2 and shall use the tax rates of the various taxing units in effect on the first day of the month in which the current vehicle registration expired or the new registration was applied for. This procedure shall constitute the listing and assessment of each classified motor vehicle for taxation. The tax notice shall contain:

(1) The date of the tax notice.

(2) The appraised value of the motor vehicle.

(3) The tax rate of the taxing units.

(4) A statement that the appraised value, situs, and taxability of the motor vehicle may be appealed to the assessor within 30 days after the date of the notice.

(b) ~~For classified motor vehicles listed pursuant to G.S. 105-330.3(a)(2), the assessor shall appraise each vehicle in accordance with G.S. 105-330.2. The assessor shall prepare a tax notice for each vehicle before September 1 following the January 31 listing date; the tax notice shall include all county, municipal, and special district taxes due on the motor vehicle. In computing the taxes, the assessor shall use the tax rates of the various taxing units in effect for the fiscal year that begins on July 1 following the January 31 listing date.~~ When the tax notice required by subsection (a) is prepared, the county tax collector shall mail a copy of the notice, with appropriate instructions for payment, to the motor vehicle owner. The county may retain the actual cost of collecting municipal and special district taxes collected pursuant to this section, not to exceed one and one-half percent (1 1/2%) of the amount of taxes collected. The county finance officer shall establish procedures to ensure that tax payments received pursuant to this section are properly accounted for and taxes due other taxing units are remitted to the units to which they are due no later than 30 days after the date of collection.

(c) ~~When the tax notice is prepared, the county tax collector shall mail a copy of the notice, with appropriate instructions for payment, to~~

~~the motor vehicle owner. The county may retain the actual cost of collecting municipal and special district taxes collected pursuant to this section, not to exceed one and one-half percent (1 1/2%) of the amount of taxes collected. The county finance officer shall establish procedures to ensure that tax payments received pursuant to this section are properly accounted for and taxes due other taxing units are remitted to the units to which they are due no later than 30 days after the date of collection.~~ For classified motor vehicles listed pursuant to G.S. 105-330.3(a)(2), the assessor shall appraise each vehicle in accordance with G.S. 105-330.2. The assessor shall prepare a tax notice for each vehicle before September 1 following the January 31 listing date; the tax notice shall include all county and special district taxes due on the motor vehicle. In computing the taxes, the assessor shall use the tax rates of the taxing units in effect for the fiscal year that begins on July 1 following the January 31 listing date. Municipalities shall list, assess, and tax classified motor vehicles listed pursuant to G.S. 105-330.3(a)(2) as provided in G.S. 105-326, 105-327, and 105-328 and shall send tax notices as provided in this section.

(d) The county shall include taxes on classified motor vehicles listed pursuant to G.S. 105-330.3(a)(1) in the tax levy for the fiscal year in which the taxes become due and shall charge the taxes to the tax collector for that year."

Sec. 7. G.S. 105-330.6(c) reads as rewritten:

"(c) If the owner of a classified motor vehicle listed pursuant to G.S. 105-330.3(a)(1) transfers the motor vehicle to a new owner and surrenders the registration plates from the listed vehicle to the Division of Motor Vehicles and at the date of surrender one or more full calendar months remains in the listed vehicle's tax year, the owner may apply for a release or refund of taxes on the vehicle for the full calendar months remaining after surrender. To apply for a release or refund, the owner must present to the county tax collector within 60 days after surrendering the plates the ~~certificate~~ receipt received from the Division of Motor Vehicles accepting surrender of the registration plates. The county tax collector shall then multiply the amount of the taxes for the tax year on the vehicle by a fraction, the denominator of which is 12 and the numerator of which is the number of full calendar months remaining in the vehicle's tax year after the date of surrender of the registration plates. The product of the multiplication is the amount of taxes to be released or refunded. If the taxes have not been paid at the date of application, the county tax collector shall make a release of the prorated taxes and credit the owner's tax ~~receipt~~ notice with the amount of the release. If the taxes have been paid at the date of application, the county tax collector shall

direct an order for a refund of the prorated taxes to the county finance officer, and the finance officer shall issue a refund to the vehicle owner."

Sec. 8. G.S. 105-330.7 reads as rewritten:

"*§ 105-330.7. (Effective January 1, 1993) List of delinquents sent to Division of Motor Vehicles.*

On the tenth day of each month the county tax collector shall prepare a list with the name and address of the owner and the vehicle identification number of every classified motor vehicle listed pursuant to G.S. 105-330.3(a)(1) on which taxes remain unpaid on that date and on which taxes became due on the first day of the fourth month preceding that date. The tax collector shall mail that list to the Division of Motor Vehicles. The list shall be in ~~such~~ the form and contain ~~such~~ the information ~~as~~ required by the Division of Motor ~~Vehicles may require.~~ Vehicles."

Sec. 9. Article 21 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"*§ 105-325.1. Special committee for motor vehicle appeals.*

The board of county commissioners may appoint a special committee of its members or other persons to hear and decide appeals arising under G.S. 105-330.2(b). The county shall bear the expense of employing the committee."

Sec. 10. G.S. 105-373(h) reads as rewritten:

"(h) *(Effective January 1, 1993)* Relief from Collecting Taxes on Classified Motor Vehicles. The board of county commissioners may, in its discretion, relieve the tax collector of the charge of taxes on classified motor vehicles listed pursuant to G.S. 105-330.3(a)(1) that are one year or more past due when it appears to the board that the taxes are uncollectible. This relief, when granted, shall include municipal and special district taxes charged to the collector."

Sec. 11. G.S. 20-50.3 reads as rewritten:

"*§ 20-50.3. (Effective January 1, 1993) Division to furnish county assessors registration lists.*

On the tenth day of each month the Division shall send to each county assessor a list of vehicles registered under the staggered system for which registration was renewed or a new registration was obtained in that county during the second month preceding that date, with the name and address of each vehicle owner. On the tenth day of March the Division shall send to each county assessor a list of the following vehicles registered under the annual system with the name and address of each vehicle owner:

(1) Vehicles for which registration was renewed in that county during the period beginning the preceding December 1.

(2) Vehicles for which a new registration was obtained in that county during the preceding December."

Sec. 12. Section 10 of Chapter 624 of the 1991 Session Laws reads as rewritten:

"Sec. 10. This act becomes effective January 1, ~~1993. This act~~ 1993, and shall first apply to the taxation of classified motor vehicles for the fiscal year beginning July 1, ~~1993, and to that end it shall apply to~~ 1993. For classified motor vehicles registered under the staggered system, this act shall first apply to vehicles newly registered in March ~~1993, and classified motor vehicles~~ 1993 and vehicles whose registration expires in March 1993. For classified motor vehicles registered under the annual system, this act shall first apply to vehicles newly registered during December 1992 and vehicles whose registration was renewed on or after December 1, 1992. Notwithstanding the provisions of G.S. 105-330.4, for the fiscal year beginning July 1, 1993, taxes on classified motor vehicles registered under the annual system are due July 1, 1993, and interest on these unpaid taxes begins to accrue August 1, 1993."

Sec. 13. This act becomes effective January 1, 1993.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

H.B. 1388 **CHAPTER 962**

AN ACT TO REQUIRE CERTAIN EMPLOYERS TO ESTABLISH SAFETY AND HEALTH PROGRAMS AND SAFETY AND HEALTH COMMITTEES IN THE WORKPLACE.

The General Assembly of North Carolina enacts:

Section 1. Chapter 95 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 22.

"Safety and Health Programs and Committees.

"§ *95-250. Definitions.*

The following definitions shall apply in this Article:

(1) 'Experience rate modifier' means the numerical modification applied by the Rate Bureau to an experience rating for use in determining workers' compensation premiums.

(2) 'Worksite' means a single physical location where business is conducted or where operations are performed by employees of an employer.

The definitions of Article 16 of this Chapter shall also apply to this Article, except that 'employee' for the purposes of G.S. 95-252(a),

95-252(c)(1)b., 95-255, and 95-256 means an employee employed for some portion of a working day in each of 20 or more calendar weeks in the current or preceding calendar year.

"*§ 95-251. Safety and health programs.*

(a) Establishment of safety and health programs.

(1) Except as provided in subdivision (2) of this subsection, each employer with an experience rate modifier of 1.5 or greater shall, in accordance with this section, establish and carry out a safety and health program to reduce or eliminate hazards and to prevent injuries and illnesses to employees.

(2) Employers with an experience rate modifier of 1.5 or greater which provide temporary help services shall, in accordance with this section, establish and implement a safety and health program to reduce or eliminate hazards and to prevent injuries and illnesses to its full-time employees permanently located at the employer's worksite. Employers which provide temporary help services shall not be required to establish and implement a safety and health program under this section for its employees assigned to a client's worksite. This subdivision shall not apply to employee leasing companies.

(3) The Commissioner may modify the application of the requirements of this section to classes of employers where the Commissioner determines that, in light of the nature of the risks faced by the employees of these employers, such a modification would not reduce the employees' safety and health protection.

(b) Safety and health program requirements. A safety and health program established and implemented under this section shall be a written program that shall include at least all of the following:

(1) Methods and procedures for identifying, evaluating, and documenting safety and health hazards.

(2) Methods and procedures for correcting the safety and health hazards identified under subdivision (1) of this subsection.

(3) Methods and procedures for investigating work-related fatalities, injuries, and illnesses.

(4) Methods and procedures for providing occupational safety and health services, including emergency response and first aid procedures.

(5) Methods and procedures for employee participation in the implementation of the safety and health program.

(6) Methods and procedures for responding to the recommendations of the safety and health committee, where applicable.

(7) Methods and procedures for providing safety and health training and education to employees and to members of any safety and health committee established under G.S. 95-252.

(8) The designation of a representative of the employer who has the qualifications and responsibility to identify safety and health hazards and the authority to initiate corrective action where appropriate.

(9) In the case of a worksite where employees of two or more employers work, procedures for each employer to protect employees at the worksite from hazards under the employer's control, including procedures to provide information on safety and health hazards to other employers and employees at the worksite.

(10) Any other provisions as the Commissioner requires to effectuate the purposes of this section.

(c) No loss of pay. The time during which employees are participating in training and education activities under this section shall be considered as hours worked for purposes of wages, benefits, and other terms and conditions of employment. The training and education shall be provided by an employer at no cost to the employees of the employer.

"*§ 95-252. Safety and health committees required.*

(a) Establishment of safety and health committees. Except as provided in subsection (b) of this section, each employer with 11 or more employees and an experience rate modifier of 1.5 or greater shall provide for the establishment of safety and health committees and the selection of employee safety and health representatives in accordance with this section.

(b) Temporary help services. Temporary employees of employers which provide temporary help services shall not be counted as part of the 11 or more employees needed to establish a safety and health committee under this section, and employers which provide temporary help services shall not be required to establish a safety and health committee under this section for its employees assigned to a client's worksite. This subsection shall not apply to employee leasing companies.

(c) Safety and health committee requirements.

(1) In general. Each employer covered by this section shall establish a safety and health committee at each worksite of the employer, except as provided as follows:

a. An employer covered by this section whose employees do not primarily report to or work at a fixed location is required to have only one safety and health committee to represent all employees.

b. A safety and health committee is not required at a covered employer's worksite with less than 11 employees.

c. The Commissioner may, by rule, modify the application of this subdivision to worksites where employees of more than one employer are employed.

(2) Membership. Each safety and health committee shall consist of:

a. The employee safety and health representatives selected or appointed under subsection (d) of this section.

b. As determined appropriate by the employer, employer representatives, the number of which may not exceed the number of employee representatives.

(3) Chairpersons. Each safety and health committee shall be cochaired by:

a. A representative selected by the employer.

b. A representative selected by the employee members of the committee.

(4) Rights. Each safety and health committee shall, within reasonable limits and in a reasonable manner, exercise the following rights:

a. Review any safety and health program established by the employer under G.S. 95-251.

b. Review incidents involving work-related fatalities, injuries and illnesses, and complaints by employees regarding safety or health hazards.

c. Review, upon the request of the committee or upon the request of the employer representatives or employee representatives of the committee, the employer's work injury and illness records, other than personally identifiable medical information, and other reports or documents relating to occupational safety and health.

d. Conduct inspections of the worksite at least once every three months and in response to complaints by employees or committee members regarding safety or health hazards.

e. Conduct interviews with employees in conjunction with inspections of the worksite.

f. Conduct meetings, at least once every three months, and maintain written minutes of the meetings.

g. Observe the measurement of employee exposure to toxic materials and harmful physical agents.

h. Establish procedures for exercising the rights of the committee.

i. Make recommendations on behalf of the committee, and in making recommendations, permit any members of the committee to submit separate views to the employer for improvements in the employer's safety and health program and for the correction of hazards to employee safety or health, except that recommendations shall be advisory only and the employer shall retain full authority to manage the worksite.

j. Accompany, upon request, the Commissioner or the Commissioner's representative during any physical inspection of the worksite.

(5) Time for committee activities. The employer shall permit members of the committee established under this section to take the time from work reasonably necessary to exercise the rights of the committee without suffering any loss of pay or benefits for time spent on duties of the committee.

(d) Employee safety and health representatives.

(1) In general. Safety and health committees established under this section shall include:

a. One employee safety and health representative where the average number of nonmanagerial employees of the employer at the worksite during the preceding year was more than 10, but less than 50.

b. Two employee safety and health representatives where the average number of nonmanagerial employees of the employer at the worksite during the preceding year was 50 or more, but less than 100.

c. An additional employee safety and health representative for each additional 100 such employees at the worksite, up to a maximum of six employee safety and health representatives.

d. Where an employer's employees do not primarily report to or work at a fixed location or at worksites where employees of more than one employer are employed, a number of employee safety and health representatives as determined by the Commissioner by rule.

(2) Selection. Employee safety and health representatives shall be selected by and from among the employer's nonmanagerial employees in accordance with rules adopted by the Commissioner. The rules adopted by the

Commissioner may provide for different methods of selection of employee safety and health representatives at worksites with no bargaining representative, worksites with one bargaining representative, and worksites with more than one bargaining representative.

"§ 95-253. *Additional rights.*

The rights and remedies provided to employees and employee safety and health representatives under this Article are in addition to, and not in lieu of, any other rights and remedies provided by contract or by other applicable law and are not intended to alter or affect those other rights and remedies.

"§ 95-254. *Rules.*

(a) Safety and health programs. Not later than one year after the effective date of this Article, the Commissioner shall adopt final rules concerning the establishment and implementation of employer safety and health programs under G.S. 95-251. Rules adopted shall include provisions for the training and education of employees and safety and health committee members. These rules shall include at least all of the following:

(1) Provision for the training and education of employees, including safety and health committee members, in a manner that is readily understandable by the employees, concerning safety and health hazards, control measures, the employer's safety and health program, employee rights, and applicable laws and regulations.

(2) Provision for the training and education of the safety and health committee concerning methods and procedures for hazard recognition and control, the conduct of worksite safety and health inspections, the rights of the safety and health committee, and other information necessary to enable the members to carry out the activities of the committee under G.S. 95-252.

(3) Requirement that training and education be provided to new employees at the time of employment and to safety and health committee members at the time of selection.

(4) Requirement that refresher training be provided on at least an annual basis and that additional training be provided to employees and to safety and health committee members when there are changes in conditions or operations that may expose employees to new or different safety or health hazards or when there are changes in safety and health rules or standards under Article 16 of this Chapter that apply to the employer.

(b) Safety and health committees. Not later than one year after the effective date of this Article, the Commissioner shall adopt final rules for the establishment and operation of safety and health committees under G.S. 95-252. The rules shall include provisions concerning at least the following:

(1) The establishment of such committees by an employer whose employees do not primarily report to or work at a fixed location.

(2) The establishment of committees at worksites where employees of more than one employer are employed.

(3) The employer's obligation to enable the committee to function properly and effectively, including the provision of facilities and materials necessary for the committee to conduct its activities, and the maintenance of records and minutes developed by the committee.

(4) The provision for different methods of selection of employee safety and health representatives at worksites with no bargaining representative, worksites with one bargaining representative, and worksites with more than one bargaining representative.

"§ 95-255. *Reports.*

(a) Upon the final adoption of all rules required to be adopted by the Commissioner under this Article, the Commissioner shall determine, based on information provided by the North Carolina Rate Bureau, the employers with an experience rate modifier of 1.5 or greater and shall notify these employers of the applicability of G.S. 95-251 and the potential applicability of G.S. 95-252.

(b) Within 60 days of notification by the Commissioner, the employer shall certify on forms provided by the Commissioner that he meets the requirements of G.S. 95-251 and, if applicable, the requirements of G.S. 95-252.

(c) The Commissioner shall notify an employer when his experience rate modifier falls below 1.5. An employer subject to the provisions of G.S. 95-252 shall notify the Commissioner if he no longer employs 11 or more employees and has discontinued or will discontinue the safety and health committee.

"§ 95-256. *Penalties.*

(a) The Commissioner may levy a civil penalty, not to exceed the amounts listed as follows, for a violation of this Article:

Employers with 10 or less employees	$ 2,000
Employers with 11-50 employees	$ 5,000
Employers with 51-100 employees	$10,000
Employers with more than 100 employees	$25,000.

(b) The Commissioner, in determining the amount of the penalty, shall consider the nature of the violation, whether it is a first or subsequent violation, and the steps taken by the employer to remedy the violation upon discovery of the violation.

(c) An employer may appeal a penalty levied by the Commissioner pursuant to this section to the Safety and Health Review Board subject to the procedures and requirements applicable to contested penalties under Article 16 of this Chapter. The determination of the Board shall be final unless further appeal is made to the courts under the provisions of Chapter 150B of the General Statutes.

(d) All civil penalties and interest recovered by the Commissioner, together with any costs, shall be paid into the General Fund of the State."

Sec. 2. This act is effective upon ratification, provided that all provisions requiring employer compliance apply only upon the effective date of the rules adopted by the Commissioner of Labor pursuant to this act.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

H.B. 1497 **CHAPTER 963**

AN ACT RELATING TO PURCHASING BY THE CITY OF WINSTON-SALEM.

The General Assembly of North Carolina enacts:

Section 1. The Board of Aldermen may authorize the City Manager or his designee to take any action that the Board of Aldermen is required or authorized to take under Article 8 of Chapter 143 of the General Statutes in making, approving, awarding, or executing contracts for construction or repair work or for the purchase of apparatus, supplies, materials, or equipment, not to exceed fifty thousand dollars ($50,000) for any such contract.

Sec. 2. This act applies only to the City of Winston-Salem.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

H.B. 1585 **CHAPTER 964**

AN ACT TO ANNEX A NONCONTIGUOUS AREA TO THE CITY OF BREVARD, AND TO CORRECT AN ANNEXATION OF THE TOWN OF LONG VIEW.

The General Assembly of North Carolina enacts:

Section 1. In addition to the corporate limits of the City of Brevard, as now constituted, the corporate limits of the City are extended to include the following described area:

Tract #1

BEGINNING at a railroad spike found in the center of US Hwy 64 being the southwest corner of property deeded to Balden Patel as described in Deed Book 312, Page 456 of the Transylvania County Registry also being located N 62 deg. 04 min. 41 sec. W from NC Geodetic Survey Monument "Meany" having NC Grid Coordinates of N 574997.75 feet, E 895218.7 feet. Running thence with the Patel property line N 43 deg. 10 min. 59 sec. E 409.84 feet to a broken concrete monument found thence N 43 deg. 10 min. 59 sec. E 29.92 feet to a railroad spike found in the center of Deavor Road, SR 1511, thence with the centerline of Deavor Road N 42 deg. 23 min. 46 sec. W 150 feet to a railroad spike set N 42 deg. 23 min. 46 sec. W 57.10 feet to an unmarked point in the center line of NC Highway 280. Thence with the center of NC Highway 280 running partially within the traffic island S 44 deg. 50 min. 21 sec W 465 feet to an iron rod set thence continuing with the centerline of NC Highway 280 S 44 deg. 50 min. 21 sec. W 66.34 feet to an unmarked point at the intersection of US Highway 64 and NC Highway 280 and US Highway 276. Thence with the center of US Highway 64 S 65 deg. 35 min. 17 sec. E 234.30 feet to the point of Beginning. Containing 2.38 acres more or less as surveyed and platted by E. Roger Raxter, RLS, on May 26, 1992 designated at Drawing No. "B"-92-61-B.

Tract #2

All of the North Carolina Department of Transportation right-of-way for N.C. Highway 280 situated between the Constantinou Property and the Forest Gate Shopping Center Property which is a satellite of the City of Brevard.

Sec. 2. Until and unless the area annexed by Section 1 of this act becomes contiguous to the primary corporate limits of the City of Brevard by future annexations, the corporate limits of the area annexed by Section 1 of this act shall be considered satellite corporate limits within the meaning of Part 4 of Article 4A of Chapter 160A of the General Statutes and they shall not be considered to be external boundaries for the purposes of Parts 2 and 3 of Article 4A of Chapter 160A of the General Statutes.

Sec. 3. Real and personal property in the territory annexed pursuant to this act is subject to municipal taxes as provided in G.S. 160A-58.10.

Sec. 4. The corporate limits of the Town of Long View are reduced by removing the following described area annexed by "An

Ordinance to Extend the Corporate Limits of the Town of Long View, North Carolina Voluntary Annexation of Catawba Co Tax Map 134H-2-25A Franklin Bollinger and wife, Hazelene Bollinger", adopted May 3, 1988: Lot 25A of Block 2 of Catawba County Tax Map 134H.

Sec. 5. The corporate limits of the Town of Long View are extended to include the following described territory: All of Lot 1 of the G. L. Bumgarner property as shown on a plat recorded in Plat Book 12, at Page 101, Catawba County Registry, which is Lot 24M of Block 2 of Catawba County Tax Map 134H.

Sec. 6. This act is effective upon ratification, except that Section 4 becomes effective May 3, 1988.

In the General Assembly read three times and ratified this the 15th day of July, 1992.

S.B. 1016 **CHAPTER 965**

AN ACT TO REPEAL THE PRIVILEGE LICENSE TAX ON SECURITY DEALERS, TO INCREASE THE REGISTRATION FEE FOR SECURITY SALESMEN, AND TO MAKE TECHNICAL CHANGES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-67 is repealed.

Sec. 2. G.S. 78A-37(b) reads as rewritten:

"(b) Every applicant for initial or renewal registration shall pay a filing fee of two hundred dollars ($200.00) in the case of a dealer and ~~forty-five dollars ($45.00)~~ fifty-five dollars ($55.00) in the case of a salesman. The Administrator may by rule reduce the registration fee proportionately when the registration will be in effect for less than a full year."

Sec. 3. G.S. 105-83 reads as rewritten:

"§ *105-83. Installment paper dealers.*

(a) Every ~~person, firm, or corporation, foreign or domestic,~~ person engaged in the business of dealing in, buying, ~~and/or~~ or discounting installment paper, notes, bonds, contracts, or evidences of ~~debt and/or other securities,~~ debt, where at the time of or in connection with the execution of said instruments, a lien is reserved or taken upon personal property located in this State to secure the payment of such obligations, shall apply for and obtain from the Secretary ~~of Revenue~~ a State license for the privilege of engaging in such business or for the purchasing of such obligations in this State, and shall pay for such license an annual tax of one hundred dollars ($100.00).

(b) In addition to obtaining a State license from the Secretary, each person subject to the tax levied in subsection (a) ~~of this section, such~~

~~person, firm, or corporation~~ shall submit to the ~~Revenue~~ Secretary quarterly no later than the twentieth day of January, April, July, and October of each year, upon forms prescribed by the ~~said~~ Secretary, a full, accurate, and complete statement, verified by the officer, agent, or person making ~~such~~ the statement, of the total face value of the installment paper, notes, bonds, contracts, and evidences of ~~debt, and/or other securities described in this section~~ debt dealt in, ~~bought and/or~~ bought, or discounted within the preceding three calendar months and, at the same time, shall pay a tax of two hundred and seventy-five thousandths of one percent (.275%) of the face value of ~~such obligations dealt in, bought and/or discounted for such period,~~ these obligations.

(c) If any ~~person, firm, or corporation, foreign or domestic, shall deal~~ person deals in, ~~buy and/or discount~~ buys, or discounts any ~~such paper, notes, bonds, contracts, evidences of debt and/or other securities~~ obligations described in this section without ~~applying for and~~ obtaining ~~a~~ the license ~~for the privilege of engaging in such business of dealing in such obligations, or shall fail, refuse, or neglect to pay the taxes levied in this section, such obligation shall not be recoverable or the collection thereof enforceable at law or by suit in equity in any of the courts of this State until and when the license taxes prescribed in this section have been paid, together with any and all penalties prescribed in this Article for the nonpayment of taxes,~~ required by this section or paying a tax imposed by this section, the person may not bring an action in a State court to enforce collection of an obligation dealt in, bought, or discounted during the period of noncompliance with this section until the person obtains the license and pays the amount of tax, penalties, and interest due.

(d) This section does not apply to corporations liable for the tax levied under G.S. 105-102.3.

(e) Counties, ~~cities~~ cities, and towns shall not levy any license tax on the business taxed under this section."

Sec. 4. Section 1 of this act is effective upon ratification and applies to the 1992-93 tax year and subsequent years. Section 2 of this act becomes effective January 1, 1993. The remaining sections of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

S.B. 1121 **CHAPTER 966**

AN ACT TO AUTHORIZE CABARRUS COUNTY TO ACQUIRE LAND FOR ROAD RIGHTS-OF-WAY FOR CONNECTORS BETWEEN SUBDIVISIONS AND CONNECTORS BETWEEN

SUBDIVISIONS AND STATE-MAINTAINED ROADS BY DEDICATION AND ACCEPTANCE, PURCHASE, OR EMINENT DOMAIN.

The General Assembly of North Carolina enacts:

Section 1. Cabarrus County may acquire land for road rights-of-way for connectors serving county or other public facilities or in the vicinity thereof between subdivisions and connectors between subdivisions and State-maintained roads by dedication and acceptance, purchase, or eminent domain.

Sec. 2. Cabarrus County may appropriate and spend up to fifty thousand dollars ($50,000) per project under this act but in no event shall total expenditures for all projects exceed one hundred thousand dollars ($100,000) per annum.

Sec. 3. In order to fund acquisitions authorized by Section 1, Cabarrus County may use non-ad valorem tax revenues and any other revenues not otherwise restricted by law, including funds authorized by vote of the citizens, to fund the acquisition costs for a project.

Sec. 4. Cabarrus County may accept donations and dedication of land or rights-of-way for the purposes set forth in Section 1.

Sec. 5. Nothing in this act shall be construed to limit or otherwise interfere with the rights and privileges of the Board of Transportation with respect to any project which is under the authority and control of the Board of Transportation or to authorize or require Cabarrus County to undertake actual construction or improvement of streets, highways, or thoroughfares.

Sec. 6. This act is effective upon ratification and expires July 1, 1995.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

S.B. 1153 **CHAPTER 967**

AN ACT TO AMEND CHAPTER 501 OF THE 1989 SESSION LAWS REGARDING A WHOLLY SELF-LIQUIDATING CAPITAL PROJECT AT THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 501 of the 1989 Session Laws reads as rewritten:

"Sec. 2. The projects ~~hereby~~ authorized to be constructed and financed as provided in Section 1 of this act are as follows:

1. Appalachian State University

Improvements to Student Housing Facilities	$1,761,000
Parking Deck	4,054,600
2. East Carolina University	
Expansion of Radiation Oncology Center	7,812,100
Biotechnology Laboratory Building Completion	4,746,600
3. North Carolina State University at Raleigh	
Research and Technology Building	7,002,000
4. The University of North Carolina at Asheville	
Highsmith Center Renovation and Addition	~~3,001,800~~ 4,806,000
300-Bed Residence Hall	5,357,500
5. The University of North Carolina at Charlotte	
Student Housing, Phase VI	8,445,600
University/Convocation Activities Center	5,677,300
6. The University of North Carolina at Greensboro	
Student Housing.	6,310,600
7. The University of North Carolina at Wilmington	
200 Student Housing	4,317,300
8. Winston-Salem State University	
Cultural Arts Center	2,374,200".

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

S.B. 1155 **CHAPTER 968**

AN ACT TO AMEND CHAPTER 1092 OF THE 1987 SESSION LAWS, REGULAR SESSION 1988, REGARDING A WHOLLY SELF-LIQUIDATING PROJECT AT ELIZABETH CITY STATE UNIVERSITY.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 1092 of the 1987 Session Laws, Regular Session 1988, reads as rewritten:

" Sec. 2. The projects authorized to be constructed and financed as provided in Section 1 of this act are as follows:

(1) Elizabeth City State University	
a. Dormitory for 200 Students	$ ~~3,179,800~~

	4,145,200
(2) Fayetteville State University	
a. Renovation of Five Residence Halls	1,574,500
(3) North Carolina Agricultural and Technical State University	
a. Renovation of Six Dormitories	3,500,000
(4) North Carolina Central University	
a. Chidley Dormitory Renovation	3,000,000
Grand Total Self-Liquidating Authorizations	~~$11,254,300~~ 12,219,700".

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

S.B. 1200 **CHAPTER 969**

AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS ON THE CENTENNIAL CAMPUS OF NORTH CAROLINA STATE UNIVERSITY AT RALEIGH.

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is to authorize and provide for acquisition and construction, by North Carolina State University at Raleigh, to pay the cost of the capital improvements projects to the Centennial Campus listed in Section 2 of this act, and to authorize the financing of these capital improvements projects with funds available to North Carolina State University at Raleigh from gifts, grants, receipts, self-liquidating indebtedness, or other funds and revenues described in the Centennial Campus Financing Act, Article 21B of Chapter 116 of the General Statutes, or any combination of these funds, but not including funds appropriated from the General Fund of the State.

Sec. 2. The projects authorized to be acquired, constructed, and financed as provided in Section 1 of this act are as follows:

(1) Research III Building	$4,060,400
(2) Corporate Research Center I Building	7,350,000
(3) Corporate Research Center II Building	7,100,000

Sec. 3. At the request of The University of North Carolina Board of Governors and upon determining that it is in the best interest

of the State to do so, the Director of the Budget may authorize an increase or decrease in the scope of or a change in the method of funding for any project authorized by this act. In making a determination of whether to authorize a change in scope or funding, the Director of the Budget may consult with the Advisory Budget Commission. In no event shall appropriations from the General Fund be used for a project authorized by this act.

Sec. 4. The University Board of Gov. shall provide an annual report to the General Assembly beginning July 1, 1993 on all self-liquidated projects. The report shall include all receipts, expenditures, balances on hand, amounts estimated to complete each project, source of all receipts, terms and balances of any loans, and the stage of completion of each project.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

H.B. 519 **CHAPTER 970**

AN ACT REQUIRING EMPLOYERS TO REIMBURSE EMPLOYMENT AGENCY FEES UNDER CERTAIN CIRCUMSTANCES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 95-47.3 reads as rewritten:

"*§ 95-47.3. Fees and contracts: filing with Commissioner.*

(a) Every license applicant shall file with the Commissioner a schedule of fees or charges made by the private personnel service to applicants for employment for any services rendered, stating clearly the conditions under which the private personnel service refunds or does not refund a fee, together with all rules or regulations that may in any manner affect the fees charged or to be charged for any service. Every license applicant and licensee shall include in its schedule of fees or charges a clear description of how it determines fees for placement of employment, the compensation of which is based, in whole or in part, on commission. Changes in the schedule may be made, but no change shall become effective until seven calendar days after the filing thereof with the Commissioner. It is unlawful for a private personnel service to charge, demand, collect or receive a greater compensation from an applicant for employment for any service performed than as specified in the schedule filed with the Commissioner.

(b) Every license applicant shall file with the Commissioner a copy of the contract which the private personnel service will require applicants for employment to execute."

Sec. 2. G.S. 95-47.4 is amended by adding the following new subsection to read:

"(h) If a private personnel service places an applicant in a position of employment, the compensation of which is based, in whole or in part, on commission, the private personnel service shall have a written job order from the employer that includes the anticipated earnings upon which the private personnel service may base its fee. The private personnel service shall explain to the applicant and the employer how the fee for the placement is calculated, and shall inform in writing both the applicant and the employer of the provisions of G.S. 95-47.3A governing fee refunds from employers."

Sec. 3. Chapter 95 of the General Statutes is amended by adding the following new section to read:

"*§ 95-47.3A. Fee reimbursement from employers due to overstated earnings expectations.*

(a) An applicant who accepts employment that is compensated in whole or in part on a commission basis, and who pays a fee to the licensee calculated on the commission-based compensation amount stated by the employer in the written job order, may file a written complaint with the Commissioner if the applicant did not earn at least eighty percent (80%) of the compensation amount stated by the employer in the written job order. If the applicant files the written complaint before the period upon which the anticipated earnings is based has ended, the Commissioner shall prorate the amount earned over the period of time the applicant worked prior to the filing of the complaint in order to determine whether or not the applicant earned at least eighty percent (80%) of the compensation amount stated by the employer in the written job order.

(b) The Commissioner shall investigate all complaints filed pursuant to subsection (a) of this section. After completion of the investigation and a hearing, the Commissioner shall order the employer to reimburse the applicant for part or all of the fee paid by the applicant to the licensee if the Commissioner finds the applicant is entitled to the refund based on all of the following:

(1) The applicant did not earn at least eighty percent (80%) of the compensation amount stated by the employer in the written job order;

(2) The licensee reasonably relied on the compensation information provided by the employer in calculating the fee paid by the applicant;

(3) It is unrealistic to expect that an employee could earn substantially the amount of commission-based compensation stated by the employer in the written job order filed with the licensee; and

(4) The fee paid by the applicant to the licensee was calculated based on the commission-based compensation stated by the employer in the written job order.

(c) The reimbursement due the applicant under subsection (b) shall be the difference between the fee actually paid by the applicant to the licensee, and the fee that the applicant would have paid if the compensation stated by the employer in the written job order had been what the applicant actually earned or reasonably could have earned during the applicable employment period.

(d) The Commissioner shall adopt rules setting forth procedures for complaints and investigations, and standards for determining whether a statement by the employer in the licensee's written job order of potential or anticipated commission-based earnings is realistic under the circumstances. The Commissioner or his authorized representative shall have power to administer oaths and examine witnesses, issue subpoenas, compel the attendance of witnesses and the production of papers, books, accounts, records, payrolls, documents, and take depositions and affidavits in any proceeding hereunder. Additionally, the Commissioner shall adopt rules setting forth procedures for enforcement of any order made under subsections (b) and (c) of this section. Rules adopted by the Commissioner pursuant to this section shall be in accordance with Chapter 150B of the General Statutes.

(e) The Commissioner shall enforce and administer the provisions of this section, and the Commissioner or his authorized representative is empowered to hold hearings and to institute civil proceedings to collect on behalf of the applicant any amounts determined to be owed by the employer."

Sec. 4. This act becomes effective January 1, 1993, and applies to job placements made on or after that date.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

H.B. 1357 **CHAPTER 971**

AN ACT TO RECONVENE A TEACHER TRAINING TASK FORCE TO STUDY THE PROGRESS MADE TOWARD IMPLEMENTING THE THIRTY-NINE OBJECTIVES OF THE ORIGINAL TASK FORCE AND TO MAKE

RECOMMENDATIONS TO CONTINUE TO IMPROVE THE PROFESSIONAL DEVELOPMENT OF TEACHERS.

Whereas, in 1985, the General Assembly mandated that the Board of Governors study "ways to upgrade teacher preparation programs to make the course of study more rigorous and more effective"; and

Whereas, the Board of Governors of The University of North Carolina established the Task Force on the Preparation of Teachers in September 1985 and adopted the Task Force report, The Education of North Carolina's Teachers, in November 1986; and

Whereas, the 1987 Session of the General Assembly adopted the 39 objectives of the Task Force report, and established a Joint Board Committee on Teacher Education to implement those objectives; and

Whereas, the General Assembly has appropriated funds for implementation of the recommendations which were made in the areas of academic studies, admissions standards, teacher education curriculum, certification, program approval, continuing professional education, incentive programs, school college partnerships, and education school faculty; and

Whereas, it is the recommendation of the Joint Legislative Oversight Committee that the progress that has been made to implement the 39 objectives of the original report should be reviewed and new topics should be studied to continue to improve the education of teachers in this State; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Establishment and Purpose. There is established a new Teacher Training Task Force to review the progress that has been made to implement the 39 objectives of the original Task Force and to study additional issues of legislative concern. The new Task Force shall study both preservice and ongoing professional development of teachers.

Sec. 2. Membership. The Task Force shall consist of 20 members as follows:

(a) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each appoint one member of the Joint Legislative Education Oversight Committee to serve on the Task Force.

(b) The Superintendent of Public Instruction, or a designee.

(c) The nine members of the Joint Committee on Teacher Education of the Board of Governors of The University of North Carolina and the State Board of Education.

(d) The Board of Governors of The University of North Carolina and the State Board of Education shall jointly appoint eight members from a list of recommended members to be suggested by the Joint Committee on Teacher Education of the Board of Governors of The University of North Carolina and the State Board of Education. Members may be recommended from among representatives of practicing public school teachers and personnel; public school administrators; the deans of schools of education; the chancellors of the constituent institutions of The University of North Carolina and the chief officers of private institutions of higher education. Other qualified persons may be recommended by the Joint Committee and approved by the Boards. Task Force members shall receive per diem, subsistence, and travel allowances in accordance with G.S. 138-5, 138-6, or 120-3.1, as appropriate. Appointments to the Task Force shall be made no later than September 1, 1992. If a vacancy occurs in the membership, the appointing authority shall appoint another person to serve for the balance of the unexpired term.

Sec. 3. Duties and Issues for Study. The Task Force shall study and make recommendations to improve the professional development of teachers. As a basis for its recommendations, the Task Force shall:

(1) Review the progress made toward implementing the 39 objectives outlined in original task force report, The Education of North Carolina's Teachers, and in particular, evaluate the impact of the second major requirement.

(2) Study State and local professional development programs, and identify programs that:
   a. Prepare teachers to work successfully with State initiatives including site-based management, outcome-based education, and the State testing program;
   b. Tie State education initiatives to individual school improvement;
   c. Build strong professional ties between teachers and other educators; and
   d. Are rigorous and result in improved student learning.

(3) Identify methods to encourage collaboration between university schools of education and local school administrative units.

(4) Evaluate the impact of the North Carolina Center for the Advancement of Teaching on professional development, assess the rigor, professionalism, and quality of the programs offered at the Center, and assess whether the programs offered prepare teachers to work successfully with State initiatives.

(5) Study the components of the Teaching Fellows Program to discover which of its elements could be part of the education program for all pre-service teachers, including recruitment methods that encourage talented persons from diverse backgrounds to become teachers.

(6) Identify and encourage professional development programs, particularly within the schools of education, that prepare teachers to examine their own biases concerning cultural diversity, socioeconomic differences, and gender. Teachers should be prepared to teach and meet the needs of all students, and to accept differences among students.

(7) Evaluate the quality, number, cost, and appropriateness of the degree programs in special education and related fields and the approved programs leading to certification in teaching exceptional children that are offered by the higher education institutions in the State, determine whether these programs produce sufficient numbers of potential certificated special education teachers to meet the special education needs of the identified population of children with special needs, determine whether appropriately trained special education teachers are employed by the local school administrative units and the State and local governmental agencies that are required to provide appropriate special education services, and assess whether new programs should be offered by the higher education institutions, or current programs consolidated within the higher education institutions, or both.

Sec. 3.1. Cochairs. The State Board of Education and the Board of Governors of The University of North Carolina shall each appoint a cochair from the nine members of the Joint Committee on Teacher Education of the Board of Governors of The University of North Carolina and the State Board of Education. The Task Force shall meet upon the call of the cochairs.

Sec. 3.2. Space, Staff and Equipment. The General Administration of The University of North Carolina shall provide meeting rooms, telephone, office space, equipment, and supplies to the Task Force without charge. The Board of Governors of The University of North Carolina and the State Board of Education may loan the services of persons to fill professional and clerical staff positions for the Task Force.

Sec. 4. Report. The Task Force shall make an interim report of its findings and recommendations to the Joint Legislative Education Oversight Committee by February 15, 1993, and a final report to the

Joint Legislative Education Oversight Committee by April 1, 1994. Upon the filing of the final report, the Task Force shall terminate.

The recommendations in the interim report shall include a proposed plan for continued funding of existing activities. The final report shall include recommendations that can be phased in over three fiscal bienniums.

Sec. 5. Upon the request of the Task Force, all State departments and agencies, all local governments and their subdivisions, and all institutions approved to train teachers shall furnish the Task Force with any information in their possession or available to them.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

H.B. 1587 **CHAPTER 972**

AN ACT TO AUTHORIZE TRANSYLVANIA COUNTY TO REGULATE ROADS WITHIN UNIFIED DEVELOPMENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-335 reads as rewritten:

"*§ 153A-335. 'Subdivision' defined.*

For purposes of this Part, 'subdivision' means all divisions of a tract or parcel of land into two or more lots, building sites, or other divisions for the purpose of sale or building development (whether immediate or future) and includes all divisions of land involving the dedication of a new street or a change in existing streets; and includes any unified residential or nonresidential development; however, the following is not included within this definition and is not subject to any regulations enacted pursuant to this Part:

(1) The combination or recombination of portions of previously subdivided and recorded lots if the total number of lots is not increased and the resultant lots are equal to or exceed the standards of the county as shown in its subdivision regulations;

(2) The division of land into parcels greater than 10 acres if no street right-of-way dedication is involved;

(3) The public acquisition by purchase of strips of land for widening or opening streets;

(4) The division of a tract in single ownership the entire area of which is no greater than two acres into not more than three lots, if no street right-of-way dedication is involved and if the

resultant lots are equal to or exceed the standards of the county as shown by its subdivision ~~regulations.~~ regulations;

(5) The division of land for the purpose of conveying a single lot or parcel to each tenant in common, all of whom jointly inherited the land by intestacy or by will;

(6) The division of land into no more than two parcels for the purpose of conveying at least one of the resulting lots to a grantee(s) who would have been an heir(s) of the grantor if the grantor had died intestate immediately prior to the conveyance;

(7) The division of land pursuant to an order of a court of the General Court of Justice;

(8) The division of land for cemetery lots or burial plots; and

(9) The division of land for the purpose of changing the boundary line(s) between adjoining property owners and no new road right-of-way dedication is involved."

Sec. 2. Notwithstanding any provision of G.S. 153A-331, no county subdivision ordinance development standard shall apply to a unified residential or nonresidential development except insofar as such a standard pertains to a road (including a direct access road) that will serve such a development.

Sec. 3. Chapter 349 of the 1979 Session Laws is repealed.

Sec. 4. This act applies only to Transylvania County.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

H.B. 1663 **CHAPTER 973**

AN ACT TO CLARIFY THAT SPECIAL LIBRARY REGISTRATION DEPUTIES AND SPECIAL HIGH SCHOOL REGISTRATION COMMISSIONERS NEED NOT RESIDE IN THE COUNTY WHERE THEY REGISTER VOTERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 163-80(a)(6) reads as rewritten:

"(6) Local public library employees designated by the governing board of such public library to be appointed by the county board of elections as special library registration deputies. Appointment of such deputies is mandatory for libraries covered by G.S. 153A-272; appointment is optional for other libraries. Persons appointed under this subsection shall be given the oath contained in G.S. 163-41(b), and shall be authorized to accept applications to register on

those days and during those hours said special deputies are on duty with their respective libraries. If, for good and valid reasons, the local public library director shall request that the county board of elections appoint 'replacement' special library registration deputies before the two-year term ends, the county board of elections shall do so. To serve as a special library registration deputy and accept applications to register in a county under this subdivision, a library employee need not reside in that county."

Sec. 2. G.S. 163-80(a)(7) reads as rewritten:

"(7) Public high school employees appointed under this subdivision. A local board of education may, but is not required to, designate high school employees to be appointed by the county board of elections as special high school registration commissioners. Only employees who volunteer for this duty, and who are acceptable to the county board of elections, may be designated by boards of education. A special high school registration commissioner may register voters only while on duty as a high school employee and only at times and under arrangements approved by the local school board of education. A person appointed under this subdivision shall take the oath prescribed in G.S. 163-41(b). To serve as a special high school registration commissioner and accept applications to register in a county under this subdivision, a high school employee need not reside in that county."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

H.B. 1455 **CHAPTER 974**

AN ACT TO IMPOSE A PRIVILEGE LICENSE TAX ON REAL ESTATE APPRAISERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-41(a) reads as rewritten:

"(a) Every individual in this State who practices a profession or engages in a business and is included in the list below must obtain from the Secretary a statewide license for the privilege of practicing the profession or engaging in the business. The tax for each license is fifty dollars ($50.00); the tax does not apply to an individual who is at least 75 years old.

(1) An attorney-at-law.

(2) A physician, a veterinarian, a surgeon, an osteopath, a chiropractor, a chiropodist, a dentist, an ophthalmologist, an optician, an optometrist, or another person who practices a professional art of healing.

(3) A professional engineer, as defined in G.S. 89C-3.

(4) A registered land surveyor, as defined in G.S. 89C-3.

(5) An architect.

(6) A landscape architect.

(7) A photographer, a canvasser for any photographer, or an agent of a photographer in transmitting photographs to be copied, enlarged, or colored.

(8) A real estate broker or a real estate salesman, as defined in G.S. 93A-2. A real estate broker or a real estate salesman who is also a real estate appraiser is required to obtain only one license under this section to cover both activities.

(9) A real estate appraiser, as defined in G.S. 93A-72. A real estate appraiser who is also a real estate broker or a real estate salesman is required to obtain only one license under this section to cover both activities.

(10) A person who solicits or negotiates loans on real estate as agent for another for a commission, brokerage, or other compensation.

~~Every practicing attorney-at-law, practicing physician, veterinary, surgeon, osteopath, chiropractor, chiropodist, dentist, oculist, optician, optometrist, any person practicing any professional art of healing for a fee or reward, every practicing professional engineer as defined in Chapter 89C of the General Statutes, every practicing land surveyor as defined in Chapter 89C of the General Statutes, every architect and landscape architect, photographer, canvasser for any photographer, agent of a photographer in transmitting pictures or photographs to be copied, enlarged or colored (including all persons enumerated in this section employed by the State, county, municipality, a corporation, firm or individual), and every person, whether acting as an individual, as a member of a partnership, or as an officer and/or agent of a corporation, who is engaged in the business of selling or offering for sale, buying or offering to buy, negotiating the purchase, sale, or exchange of real estate, or who is engaged in the business of leasing or offering to lease, renting or offering to rent, or of collecting any rents as agent for another for compensation, or who is engaged in the business of soliciting and/or negotiating loans on real estate as agent for another for a commission, brokerage and/or other compensation, shall apply for and obtain from the Secretary of Revenue a statewide license for the privilege of engaging in such business or profession, or the doing of the act~~

~~named, and shall pay for such license fifty dollars ($50.00): Provided, that no professional man or woman shall be required to pay a privilege tax after he or she has arrived at the age of 75 years. Further provided, that it shall be unlawful for a nonresident of this State to engage in the real estate business in this State, as defined in this section, unless the State of residence of such person will permit a resident of this State to engage in such business. Any person who shall engage in the real estate business in this State in violation of the terms of this provision shall be guilty of a misdemeanor and shall be punished in the discretion of the court; and further provided, that the obtaining of a real estate dealer's license by such person shall not authorize such nonresident to engage in the real estate business in this State, and provided further that in all prosecutions under this section, a certificate under the hand and seal of the Secretary of Revenue that the accused filed no income tax returns with his department for the preceding taxable year shall be *prima facie* evidence that the accused is a nonresident and that his license is void.~~"

Sec. 2. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 17th day of July, 1992.

S.B. 1003 **CHAPTER 975**

AN ACT TO PROVIDE THAT CONTRACTORS' INVENTORIES WILL BE ENTITLED TO THE SAME PROPERTY TAX EXEMPTION AS MANUFACTURERS', RETAILERS', AND WHOLESALERS' INVENTORIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-273 reads as rewritten:

"§ *105-273. Definitions.*

When used in this Subchapter (unless the context requires a different meaning):

(1) 'Abstract' means the document on which the property of a taxpayer is listed for ad valorem taxation and on which the appraised and assessed values of the property are recorded.

(2) 'Appraisal' means both the true value of property and the process by which true value is ascertained.

(3) 'Assessment' means both the tax value of property and the process by which the assessment is determined.

(4) Repealed by Session Laws 1973, c. 695, s. 15, effective January 1, 1974.

(5) 'Collector' or 'tax collector' means any person charged with the duty of collecting taxes for a county or municipality.

(5a) 'Contractor' means a taxpayer who is regularly engaged in building, installing, repairing, or improving real property.

(6) 'Corporation' includes nonprofit corporation and every type of organization having capital stock represented by shares.

(6a) 'Discovered property' includes all of the following:

a. Property that was not listed during a listing period.
b. Property that was listed but the listing included a substantial understatement.
c. Property that has been granted an exemption or exclusion and does not qualify for the exemption or exclusion.

(6b) 'To discover property' means to determine any of the following:

a. Property has not been listed during a listing period.
b. A taxpayer made a substantial understatement of listed property.
c. Property was granted an exemption or exclusion and the property does not qualify for an exemption or exclusion.

(7) 'Document' includes book, paper, record, statement, account, map, plat, film, picture, tape, object, instrument, and any other thing conveying information.

(7a) 'Failure to list property' includes all of the following:

a. Failure to list property during a listing period.
b. A substantial understatement of listed property.
c. Failure to notify the assessor that property granted an exemption or exclusion under an application for exemption or exclusion does not qualify for the exemption or exclusion.

(8) 'Intangible personal property' means patents, copyrights, secret processes, formulae, good will, trademarks, trade brands, franchises, stocks, bonds, cash, bank deposits, notes, evidences of debt, leasehold interests in exempted real property, bills and accounts receivable, and other like property.

(8a) 'Inventories' means (i) goods held for sale in the regular course of business by ~~manufacturers and~~ manufacturers, retail and wholesale ~~merchants.~~ merchants, and contractors, and (ii) goods held by contractors to be furnished in the course of building, installing, repairing,

or improving real property. As to manufacturers, the term includes raw materials, goods in process, and finished goods, as well as other materials or supplies that are consumed in manufacturing or processing, or that accompany and become a part of the sale of the property being sold. The term also includes crops, livestock, poultry, feed used in the production of livestock and poultry, and other agricultural or horticultural products held for sale, whether in process or ready for sale. The term does not include fuel used in manufacturing or processing, nor does it include materials or supplies not used directly in manufacturing or processing. As to retail and wholesale ~~merchants.~~ merchants and contractors, the term includes, in addition to articles held for sale, packaging materials that accompany and become a part of the sale of the property being sold.

(9) 'List' or 'listing,' when used as a noun, means abstract.

(10) Repealed by Session Laws 1987, c. 43, s. 1, effective April 2, 1987.

(10a) 'Local tax official' includes a county assessor, an assistant county assessor, a member of a county board of commissioners, a member of a county board of equalization and review, a county tax collector, and the municipal equivalents of these officials.

(10b) 'Manufacturer' means a taxpayer who is regularly engaged in the mechanical or chemical conversion or transformation of materials or substances into new products for sale or in the growth, breeding, raising, or other production of new products for sale. The term does not include delicatessens, cafes, cafeterias, restaurants, and other similar retailers that are principally engaged in the retail sale of foods prepared by them for consumption on or off their premises.

(11) 'Municipal corporation' and 'municipality' mean city, town, incorporated village, sanitary district, rural fire protection district, rural recreation district, mosquito control district, hospital district, metropolitan sewerage district, watershed improvement district, or other district or unit of local government by or for which ad valorem taxes are levied.

(12) 'Person' and 'he' include any individual, trustee, executor, administrator, other fiduciary, corporation, unincorporated association, partnership, sole proprietorship, company, firm, or other legal entity.

(13) 'Real property,' 'real estate,' and 'land' mean not only the land itself, but also buildings, structures, improvements, and permanent fixtures thereon, and all rights and privileges belonging or in any wise appertaining thereto. These terms also mean a manufactured home as defined in G.S. 143-143.9(6) if it is a multi-section residential structure (consisting of two or more sections); has the moving hitch, wheels, and axles removed; and is placed upon a permanent enclosed foundation on land owned by the owner of the manufactured home.

(13a) 'Retail Merchant' means a taxpayer who is regularly engaged in the sale of tangible personal property, acquired by a means other than manufacture, processing, or producing by the merchant, to users or consumers.

(13b) 'Substantial understatement' means the omission of a material portion of the value, quantity, or other measurement of taxable property. The determination of materiality in each case shall be made by the assessor, subject to the taxpayer's right to review of the determination by the county board of equalization and review or board of commissioners and appeal to the Property Tax Commission.

(14) 'Tangible personal property' means all personal property that is not intangible and that is not permanently affixed to real property.

(15) 'Tax' and 'taxes' include the principal amount of any tax, costs, penalties, and interest imposed upon property tax or dog license tax.

(16) 'Taxing unit' means a county or municipality authorized to levy ad valorem property taxes.

(17) 'Taxpayer' means any person whose property is subject to ad valorem property taxation by any county or municipality and any person who, under the terms of this Subchapter, has a duty to list property for taxation.

(18) 'Valuation' means appraisal and assessment.

(19) 'Wholesale Merchant' means a taxpayer who is regularly engaged in the sale of tangible personal property, acquired by a means other than manufacture, processing, or producing by the merchant, to other retail or wholesale merchants for resale or to manufacturers for use as ingredient or component parts of articles being manufactured for sale."

Sec. 2. G.S. 105-275 is amended by adding a new subdivision to read:

"(32a) Inventories owned by contractors."

Sec. 3. G.S. 105-282.1(a)(2) reads as rewritten:

"(2) Owners of the special classes of property excluded from taxation under G.S. 105-275(5), (15), (16), (26), (31), (32a), (33), or (34), or exempted under G.S. 105-278.2 are not required to file applications for the exclusion or exemption of that property."

Sec. 4. This act is effective for taxes imposed for taxable years beginning on or after July 1, 1992.

In the General Assembly read three times and ratified this the 17th day of July, 1992.

S.B. 1090 **CHAPTER 976**

AN ACT TO ALLOW CERTAIN CITIES OF UNDER THREE HUNDRED POPULATION TO HOLD ABC ELECTIONS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 18B-600 is amended by adding a new subsection to read:

"(e3) Small Town Mixed Beverage Elections. -- A town may hold a mixed beverage election if the town has at least 200 registered voters and is located in a county bordering the Neuse River and Pamlico Sound that has not approved the sale of mixed beverages and that county has only one city that has approved the sale of mixed beverages. Provided, that if a town that qualifies for an election under this subsection approves the sale of mixed beverages, mixed beverages permittees in the town may purchase liquor from the ABC store designated by any local ABC board in any other city that has approved the sale of mixed beverages."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of July, 1992.

S.B. 67 **CHAPTER 977**

AN ACT TO PROVIDE A TAX CREDIT FOR THE USE OF NORTH CAROLINA PORTS.

Whereas, the State of North Carolina ranks first in the Southeast in exporting; and

Whereas, the North Carolina State Ports Authority serves hundreds of industries and businesses in North Carolina by moving over eight million tons of cargo from its ports on an annual basis; and

Whereas, seventy percent (70%) of the State's imports and exports are shipped from ports outside the State; and

Whereas, the State ports at Wilmington and Morehead City have the capacity to accommodate additional vessel calls and cargo; and

Whereas, the increased use of the State's seaports would enhance and accelerate economic development in the State; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Division I of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"*§ 105-130.41. Credit for North Carolina State Ports Authority wharfage and handling charges on exports.*

(a) Credit. -- A corporation utilizing the deepwater docks at the Wilmington or Morehead City ports for the export of cargo that is loaded on an ocean carrier calling at either port is allowed a credit against the tax imposed by this Division. The amount of credit allowed is equal to the excess of the charges paid, directly or indirectly, by the corporation on exported, processed cargo for the current taxable year over an amount equal to the average of the charges paid by the corporation on exported, processed cargo for the current taxable year and the two preceding taxable years. The credit applies to the following charges on exported, processed cargo assessed by the Ports Authority: wharfage, handling charges on break bulk cargo or LCL (less-than-container-load) cargo, bulk through put charges, and the equivalent or like charges on container cargo. To obtain the credit, a corporation must provide to the Secretary a statement from the State Ports Authority certifying the amount of charges paid by the corporation for which a credit is claimed and any other information required by the Secretary.

(b) Limitations. -- This credit may not exceed fifty percent (50%) of the amount of tax imposed by this Division for the taxable year reduced by the sum of all credits allowable under this Division, except tax payments made by or on behalf of the corporation. Any unused portion of the credit may be carried forward for the succeeding five years. The maximum cumulative credit that may be claimed by a corporation under this section is one million dollars ($1,000,000).

(c) Definitions. -- For purposes of this section, the terms 'handling' and 'wharfage' have the meanings provided in the State Ports Tariff Publications, 'Wilmington Tariff, Terminal Tariff #6,' and 'Morehead City Tariff, Terminal Tariff #1.' For purposes of this

section, the term 'through put' has the same meaning as 'wharfage' but applies only to bulk products, both dry and liquid."

Sec. 2. Division II of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"*§ 105-151.22. Credit for North Carolina State Ports Authority wharfage and handling charges on exports.*

(a) Credit. -- A taxpayer utilizing the deepwater docks at the Wilmington or Morehead City ports for the export of cargo that is loaded on an ocean carrier calling at either port is allowed a credit against the tax imposed by this Division. The amount of credit allowed is equal to the excess of the charges paid, directly or indirectly, by the taxpayer on exported, processed cargo for the current taxable year over an amount equal to the average of the charges paid by the taxpayer on exported, processed cargo for the current taxable year and the two preceding taxable years. The credit applies to the following charges on exported, processed cargo assessed by the Ports Authority: wharfage, handling charges on break bulk cargo or LCL (less-than-container-load) cargo, bulk through put charges, and the equivalent or like charges on container cargo. To obtain the credit, a taxpayer must provide to the Secretary a statement from the State Ports Authority certifying the amount of charges paid by the taxpayer for which a credit is claimed and any other information required by the Secretary.

(b) Limitations. -- This credit may not exceed fifty percent (50%) of the amount of tax imposed by this Division for the taxable year reduced by the sum of all credits allowable under this Division, except tax payments made by or on behalf of the taxpayer. Any unused portion of the credit may be carried forward for the succeeding five years. The maximum cumulative credit that may be claimed by a taxpayer under this section is one million dollars ($1,000,000).

(c) Definitions. -- For purposes of this section, the terms 'handling' and 'wharfage' have the meanings provided in the State Ports Tariff Publications, 'Wilmington Tariff, Terminal Tariff #6,' and 'Morehead City Tariff, Terminal Tariff #1.' For purposes of this section, the term 'through put' has the same meaning as 'wharfage' but applies only to bulk products, both dry and liquid."

Sec. 3. The North Carolina State Ports Authority shall report annually to the General Assembly regarding the impact of this act on shipping and economic growth. Each report shall show the overall annual increase in shipping at each port affected by this act for the most recent year for which data is available and for each of the previous 10 years. Each report shall estimate the number of jobs created at each port and in businesses related to port activity at each port since January 1, 1992, as compared to the number of similar

jobs created during the 10 years preceding January 1, 1992. Each report shall state the net economic impact on the State as a result of the allowance of tax credits under this act. Each report shall include the number of persons using the tax credit who have stopped, or are likely to stop, using a North Carolina port when the credit expires and to then use a port in another state. The Ports Authority shall file a report on May 1 of 1993, 1994, and 1995, by submitting a copy to the Speaker of the House of Representatives and the President Pro Tempore of the Senate. The Department of Revenue and the Department of Economic and Community Development shall cooperate with the Ports Authority in providing the information required in the annual reports.

Sec. 4. This act is effective for taxable years beginning on or after March 1, 1992, and ending on or before February 28, 1996.

In the General Assembly read three times and ratified this the 17th day of July, 1992.

S.B. 61 **CHAPTER 978**

AN ACT TO APPOINT PERSONS TO VARIOUS BOARDS AND COMMISSIONS UPON THE RECOMMENDATION OF THE PRESIDENT OF THE SENATE.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments to public offices upon the recommendation of the President of the Senate; and

Whereas, the President of the Senate has made his recommendation; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Dr. Ricky R. Sides of Forsyth County is appointed to the State Board of Chiropractic Examiners for a term to expire June 30, 1995.

Sec. 2. Frederick Lee Van Swearingen of Forsyth County is appointed to the Low-Level Radioactive Waste Management Authority for a term to expire June 30, 1996.

Sec. 3. F. J. "Sonny" Faison of Sampson County is appointed to the North Carolina State Ports Authority for a term to expire June 30, 1994.

Sec. 4. Carl H. Ricker of Buncombe County is appointed to the State Building Commission for a term to expire June 30, 1995.

Sec. 5. Bruce Mears of Nash County is appointed to the Board of Public Telecommunications Commissioners for a term to expire June 30, 1993.

Sec. 6. Barry Shearer of Mecklenburg County is appointed to the Child Day Care Commission for a term to expire June 30, 1994. This is the nonprofit operator categorical appointment. Marilyn Lee of Stanly County is appointed to the Child Day Care Commission for a term to expire June 30, 1994. This is the for-profit categorical appointment.

Sec. 7. James P. Cain of Wake County and David M. Furr of Gaston County are appointed to the Administrative Rules Review Commission for terms to expire June 30, 1994.

Sec. 8. Jeff D. Rogers of Guilford County is appointed to the Private Protective Services Board for a term to expire June 30, 1995.

Sec. 9. Debra B. Minton of Mecklenburg County is appointed to the North Carolina School of Science and Mathematics Board of Trustees for a term to expire June 30, 1993.

Sec. 10. David McCombs of Guilford County is appointed to the North Carolina Medical Database Commission for a term to expire June 30, 1995. This is the health care provider categorical appointment. Sandra Greene of Durham County is appointed to the North Carolina Medical Database Commission for a term to expire June 30, 1995. This is the categorical appointment for a representative of Blue Cross and Blue Shield of North Carolina.

Sec. 11. Wilbur F. King of Lenoir County is appointed to the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan for a term to expire June 30, 1994.

Sec. 12. Charles Royall of New Hanover County is appointed to the Public Officers and Employees Liability Insurance Commission for a term to expire June 30, 1995.

Sec. 13. Randy Thomas Ray of Durham County is appointed to the State Board of Therapeutic Recreation Certification for a term to expire June 30, 1994. This is the categorical appointment for a certified recreation specialist.

Sec. 14. Helen Holt Euliss of Alamance County is appointed to the Teaching Fellows Commission for a term to expire June 30, 1996.

Sec. 15. Joseph D. Teachey, Jr. of Duplin County, Carlyle B. Ferguson of Haywood County, and John Howard of Lenoir County are appointed to the North Carolina Agricultural Finance Authority for terms to expire June 30, 1995.

Sec. 16. Lois R. Ferm of Buncombe County is appointed to the Board of Directors of the Western North Carolina Arboretum for a term to expire June 30, 1996.

Sec. 17. Daniel J. Good of Rutherford County is appointed to the Alarm Systems Licensing Board for a term to expire June 30, 1995.

Sec. 18. This act is effective upon ratification. Except as otherwise provided, appointments made by this act are for terms commencing July 1, 1992.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 274 **CHAPTER 979**

AN ACT TO CLARIFY THE SALE OF SURPLUS RIGHT-OF-WAY BY THE DEPARTMENT OF TRANSPORTATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 136-19 reads as rewritten:

"*§ 136-19. ~~Acquirement~~ Acquisition of land and deposits of materials: condemnation proceedings; federal parkways.*

(a) The Department of Transportation is vested with the power to acquire either in the nature of an appropriate easement or in fee simple such rights-of-way and title to such land, gravel, gravel beds or bars, sand, sand beds or bars, rock, stone, boulders, quarries, or quarry beds, lime or other earth or mineral deposits or formations, and such standing timber as it may deem necessary and suitable for road construction, maintenance, and repair, and the necessary approaches and ways through, and a sufficient amount of land surrounding and adjacent thereto, as it may determine to enable it to properly prosecute the work, ~~either~~ by purchase, donation, or condemnation, in the manner hereinafter set out. If ~~any parcel is acquired~~ the Department of Transportation acquires by purchase, donation, or condemnation part of a tract of land in fee simple for highway right-of-way as authorized by this section and the Department of Transportation later determines that the ~~parcel~~ property acquired for highway right-of-way, or a part of that property, is ~~not~~ no longer needed for highway ~~purposes,~~ right-of-way, then the Department shall give first consideration ~~shall be given~~ to any offer to ~~repurchase~~ purchase the property made by the former ~~owner from whom said parcel was acquired or the heirs or assigns of such owner,~~ owner. The Department may refuse any offer that is less than the current market value of the property, as determined by the Department. Unless the Department acquired an entire lot, block, or tract of land belonging to the former owner, the former owner must own the remainder of the lot, block, or tract of land from which the property was acquired to receive first consideration by the Department of their offer to purchase the property.

(b) Notwithstanding the provisions of subsection (a), if the Department acquires the property by condemnation and determines

that the property or a part of that property is no longer needed for highway right-of-way, the Department of Transportation may reconvey the property to the former owner upon payment by the former owner of the full price paid to the owner when the property was taken, the cost of any improvements, together with interest at the legal rate to the date when the decision was made to offer the return of the property. Unless the Department acquired an entire lot, block, or tract of land belonging to the former owner, the former owner must own the remainder of the lot, block, or tract of land from which the property was acquired to purchase the property pursuant to this subsection.

(c) The requirements of this section for reconveying property to the former owner, regardless of whether such property was acquired by purchase, donation, or condemnation, shall not apply to property acquired outside the right-of-way as an 'uneconomic remnant' or 'residue'.

(d) The Department of Transportation is also vested with the power to acquire such additional land alongside of the rights-of-way or roads as in its opinion may be necessary and proper for the protection of the roads and roadways, and such additional area as may be necessary as by it determined for approaches to and from such material and other requisite area as may be desired by it for working purposes. The Department of Transportation may, in its discretion, with the consent of the landowner, acquire in fee simple an entire lot, block or tract of land, if by so doing, the interest of the public will be best served, even though said entire lot, block or tract is not immediately needed for right-of-way purposes.

(e) Notwithstanding any other provisions of law or eminent domain powers of utility companies, utility membership corporations, municipalities, counties, entities created by political subdivisions, or any combination thereof, and in order to prevent undue delay of highway projects because of utility conflicts, the Department of Transportation may condemn or acquire property in fee or appropriate easements necessary to provide highway rights-of-way for the relocation of utilities when required in the construction, reconstruction, or rehabilitation of a State highway project. The Department of Transportation shall also have the authority, subject to the provisions of G.S. 136-19.5(a) and (b), to, in its discretion, acquire rights-of-way necessary for the present or future placement of utilities as described in G.S. 136-18(2).

(f) Whenever the Department of Transportation and the owner or owners of the lands, materials, and timber required by the Department of Transportation to carry on the work as herein provided for, are unable to agree as to the price thereof, the Department of Transportation is hereby vested with the power to condemn the lands,

materials, and timber and in so doing the ways, means, methods, and procedure of Article 9 of this Chapter shall be used by it exclusively.

(g) The Department of Transportation shall have the same authority, under the same provisions of law provided for construction of State highways, for acquirement of all rights-of-way and easements necessary to comply with the rules and regulations of the United States government for the construction of federal parkways and entrance roads to federal parks in the State of North Carolina. The acquirement of a total of 125 acres per mile of said parkways, including roadway and recreational, and scenic areas on either side thereof, shall be deemed a reasonable area for said purpose. The right-of-way acquired or appropriated may, at the option of the Department of Transportation, be a fee-simple title. The said Department of Transportation is hereby authorized to convey such title so acquired to the United States government, or its appropriate agency, free and clear of all claims for compensation. All compensation contracted to be paid or legally assessed shall be a valid claim against the Department of Transportation, payable out of the State Highway Fund. Any conveyance to the United States Department of Interior of land acquired as provided by this section shall contain a provision whereby the State of North Carolina shall retain concurrent jurisdiction over the areas conveyed. The Governor is further authorized to grant concurrent jurisdiction to lands already conveyed to the United States Department of Interior for parkways and entrances to parkways.

(h) The action of the Department of Transportation heretofore taken in the acquirement of areas for the Blue Ridge Parkway in accordance with the rules and regulations of the United States government is hereby ratified and approved and declared to be a reasonable exercise of the discretion vested in the said Department of Transportation in furtherance of the public interest.

(i) When areas have been tentatively designated by the United States government to be included within a parkway, but the final survey necessary for the filing of maps as provided in this section has not yet been made, no person shall cut or remove any timber from said areas pending the filing of said maps after receiving notice from the Department of Transportation that such area is under investigation; and any property owner who suffers loss by reason of the restraint upon his right to use the said timber pending such investigation shall be entitled to recover compensation from the Department of Transportation for the temporary appropriation of his property, in the event the same is not finally included within the appropriated area, and the provisions of this section may be enforced under the same law now applicable for the adjustment of compensation in the acquirement

of rights-of-way on other property by the Department of Transportation."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 707 **CHAPTER 980**

AN ACT TO PROVIDE PROCEDURES FOR THE RETURN OF CONDEMNED PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Chapter 40A of the General Statutes is amended by adding a new Article to read:

"ARTICLE 5.

"Return of Condemned Property.

"*§ 40A-70. Return of condemned property.*

Whenever a public condemnor listed in G.S. 40A-3(b) or (c) acquires real property by condemnation and thereafter determines that the property is not needed for the purpose for which it was condemned, and the public condemnor still owns the property, the public condemnor may reconvey the property to the original owner upon payment to the public condemnor of the full price paid to the owner when the property was taken by eminent domain, the cost of any improvements, together with interest at the legal rate to the date when the decision was made to offer the return of the property. Unless the public condemnor acquired the entire lot, block, or tract of land belonging to the original owner, the original owner must own the remainder of the original lot, block, or tract of land from which the property was acquired to purchase the property pursuant to this section. The public condemnor shall specify a date by which the property must be reconveyed and the payment made, which may not be less than 30 days after written notification to the original owner that the public condemnor has decided to offer the return of the property."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1007 **CHAPTER 981**

AN ACT TO PROVIDE THAT IF A PERSON CONDUCTS BUSINESS AT A TRADE SHOW OR FLEA MARKET, THE TRADE SHOW OR FLEA MARKET IS NOT CONSIDERED

THE PERSON'S BUSINESS LOCATION FOR THE PURPOSE OF THE PRIVILEGE LICENSE TAX.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-33(b) reads as rewritten:

"(b) If the business made taxable or the privilege to be exercised under this Article ~~or schedule~~ is carried on at two or more separate places, a separate State license for each place ~~or location of such business shall be~~ is required. For the purpose of this Article, a specialty market is not considered a specialty market vendor's place of business."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1036 **CHAPTER 982**

AN ACT TO REPEAL THE DECENTRALIZATION OF THE CLASSIFICATION AND SALARY ADMINISTRATION FUNCTIONS FROM THE OFFICE OF STATE PERSONNEL TO ALL STATE DEPARTMENTS WITH MORE THAN FIVE HUNDRED PERMANENT FULL-TIME EMPLOYEES.

The General Assembly of North Carolina enacts:

Section 1. Section 18 of Part 8 of Chapter 689 of the 1991 Session Laws is repealed.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1105 **CHAPTER 983**

AN ACT TO DECREASE STATE EXPENDITURES FOR SAFEKEEPERS BY CLARIFYING THE LAW REGARDING THE MEDICAL COSTS OF SAFEKEEPERS AND BY CHANGING THE LAW REGARDING THE TRANSFER OF SAFEKEEPERS TO THE DEPARTMENT OF CORRECTION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 162-39 reads as rewritten:

"*§ 162-39. Transfer of prisoners when necessary for safety and security; application of section to municipalities.*

(a) Whenever necessary for the safety of a prisoner held in any county jail or to avoid a breach of the peace in any county or

whenever prisoners are arrested in such numbers that county jail facilities are insufficient and inadequate for the housing of such prisoners, the resident judge of the superior court or any judge holding superior court in the district or any district court judge may order the prisoner transferred to a fit and secure jail in some other ~~county, or to a unit of the State prison system designated by the Secretary of Correction or his authorized representative,~~ county where the prisoner shall be held for such length of time as the judge may direct.

(b) Whenever necessary to avoid a security risk in any county jail, or whenever prisoners are arrested in such numbers that county jail facilities are insufficient and inadequate for the housing of such prisoners, the resident judge of the superior court or any judge holding superior court in the district or any district court judge may order the prisoner transferred to a unit of the State prison system designated by the Secretary of Correction or his authorized representative. For purposes of this subsection, a prisoner poses a security risk if the prisoner:

(1) Poses a serious escape risk;

(2) Exhibits violently aggressive behavior that cannot be contained and warrants a higher level of supervision;

(3) Needs to be protected from other inmates, and the county jail facility cannot provide such protection;

(4) Is a female or a person 18 years of age or younger, and the county jail facility does not have adequate housing for such prisoners;

(5) Is in custody at a time when a fire or other catastrophic event has caused the county jail facility to cease or curtail operations; or

(6) Otherwise poses an imminent danger to the staff of the county jail facility or to other prisoners in the facility.

(c) The sheriff of the county from which the prisoner is removed shall be responsible for conveying the prisoner to the jail or prison unit where he is to be held, and for returning him to the common jail of the county from which he was transferred. The return shall be made at the expiration of the time designated in the court order directing the transfer unless the judge, by appropriate order, shall direct otherwise. The sheriff or keeper of the jail of the county designated in the court order, or the officer in charge of the prison unit designated by the Secretary of Correction, shall receive and release custody of the prisoner in accordance with the terms of the court order. If a prisoner is transferred to a unit of the State prison system, the county from which the prisoner is transferred shall pay the Department of Correction for maintaining the prisoner for the time

designated by the court at the per day, per inmate rate at which the Department of Correction pays a local jail for maintaining a ~~prisoner.~~ prisoner. The county shall also pay the Department of Correction for the costs of extraordinary medical care incurred while the prisoner was in the custody of the Department of Correction, defined as follows:

(1) Medical expenses incurred as a result of providing health care to a prisoner as an inpatient (hospitalized);

(2) Other medical expenses when the total cost exceeds thirty-five dollars ($35.00) per occurrence or illness as a result of providing health care to a prisoner as an outpatient (nonhospitalized); and

(3) Cost of replacement of eyeglasses and dental prosthetic devices if those eyeglasses or devices are broken while the prisoner is incarcerated, provided the prisoner was using the eyeglasses or devices at the time of his commitment and then only if prior written consent of the county is obtained by the Department.

~~provided, however, that~~ However, a county is not required to reimburse the State for maintaining a prisoner who was a resident of another state or county at the time he committed the crime for which he is imprisoned. If the prisoner is transferred to a jail in some other county, the county from which the prisoner is transferred shall pay to the county receiving the prisoner in its jail the actual cost of maintaining the prisoner for the time designated by the court. Counties are hereby authorized to enter into contractual agreements with other counties to provide jail facilities to which prisoners may be transferred as deemed necessary under this section.

Whenever prisoners are arrested in such numbers that county jail facilities are insufficient and inadequate for the safekeeping of such prisoners, the resident judge of the superior court or any superior or district court judge holding court in the district may order the prisoners transferred to a unit of the State Department of Correction designated by the Secretary of Correction or his authorized representative, where the prisoners may be held for such length of time as the judge may direct, such detention to be in cell separate from that used for imprisonment of persons already convicted of crimes, except when admission to an inpatient prison medical or mental health unit is required to provide services deemed necessary by a prison health care clinician. The sheriff of the county from which the prisoners are removed shall be responsible for conveying the prisoners to the prison unit or units where they are to be held, and for returning them to the common jail of the county from which they were transferred. However, if due to the number of prisoners to be

conveyed the sheriff is unable to provide adequate transportation, he may request the assistance of the Department of Correction, and the Department of Correction is hereby authorized and directed to cooperate with the sheriff and provide whatever assistance is available, both in vehicles and manpower, to accomplish the conveying of the prisoners to and from the county to the designated prison unit or units. The officer in charge of the prison unit designated by the Secretary of Correction or his authorized representative shall receive and release the custody of the prisoners in accordance with the terms of the court order. The county from which the prisoners are transferred shall pay to the Department of Correction the actual cost of transporting the prisoners and the cost of maintaining the prisoners at the per day, per inmate rate at which the Department of Correction pays a local jail for maintaining a prisoner, provided, however, that a county is not required to reimburse the State for transporting or maintaining a prisoner who was a resident of another state or county at the time he was arrested. However, if the county commissioners shall certify to the Governor that the county is unable to pay the bill submitted by the State Department of Correction to the county for the services rendered, either in whole or in part, the Governor may recommend to the Council of State that the State of North Carolina assume and pay, in whole or in part, the obligation of the county to the Department of Correction, and upon approval of the Council of State the amount so approved shall be paid from Contingency and Emergency Fund to the Department of Correction.

When, due to an emergency, it is not feasible to obtain from a judge of the superior or district court a prior order of transfer, the sheriff of the county and the Department of Correction may exercise the authority hereinafter conferred; provided, however, that the sheriff shall, as soon as possible after the emergency, obtain an order from the judge authorizing the prisoners to be held in the designated place of confinement for such period as the judge may direct. All provisions of this ~~section~~ subsection shall be applicable to municipalities whenever prisoners are arrested in such numbers that the municipal jail facilities and the county jail facilities are insufficient and inadequate for the safekeeping of the prisoners. The chief of police is hereby authorized to exercise the authority herein conferred upon the sheriff, and the municipality shall be liable for the cost of transporting and maintaining the prisoners to the same extent as a county would be unless action is taken by the Governor and Council of State as herein provided for counties which are unable to pay such costs.

(d) Whenever a prisoner held in a county jail requires medical or mental health treatment that the county decides can best be provided

by the Department of Correction, the resident judge of the superior court or any judge holding superior court in the district or any district court judge may order the prisoner transferred to a unit of the State prison system designated by the Secretary of Correction or his authorized representative. The sheriff of the county from which the prisoner is removed shall be responsible for conveying the prisoner to the prison unit where he is to be held, and for returning him to the jail of the county from which he was transferred. The prisoner shall be returned when the attending medical or mental health professional determines that the prisoner may be returned safely. The officer in charge of the prison unit designated by the Secretary of Correction shall receive custody of the prisoner in accordance with the terms of the order and shall release custody of the prisoner in accordance with the instructions of the attending medical or mental health professional. The county from which the prisoner is transferred shall pay the Department of Correction for maintaining the prisoner for the period of treatment at the per day, per inmate rate at which the Department of Correction pays a local jail for maintaining a prisoner, and for extraordinary medical expenses as set forth in subsection (c) of this section.

(e) The number of county prisoners incarcerated in the State prison system pursuant to safekeeping orders from the various counties pursuant to subsection (b) of this section or for medical or mental health treatment pursuant to subsection (d) of this section may not exceed 200 at any given time unless authorized by the Secretary of Correction. The Secretary may refuse to accept any safekeeper and may return any safekeeper transferred under a safekeeping order when this capacity limit is reached."

Sec. 2. Notwithstanding any other provision of law, counties shall not be liable for extraordinary medical expenses of safekeepers incurred prior to the effective date of this act; however, no county that has reimbursed the Department of Correction for extraordinary medical expenses of safekeepers prior to the effective date of this act has the right to a refund or credit for such payment.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1111 **CHAPTER 984**

AN ACT TO PROVIDE THAT BLIND PERSONS SHALL BE GRANTED PREFERENCE IN THE OPERATION OF VENDING FACILITIES ON NORTH CAROLINA HIGHWAYS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 111-43 reads as rewritten:

"*§ 111-43. Installation of coin-operated vending machines.*

In locations where the Department determines that a vending facility may not be operated or should not continue to operate due to insufficient ~~revenues.~~ revenues to support a blind vendor or due to the lack of qualified blind applicants, the Department shall have the first opportunity to secure, by negotiation of a contract with one or more licensed commercial vendors, coin-operated vending machines for the location. Profits from coin-operated vending machines secured by the Department shall be used by the Department for the support of ~~vending facilities operated by the visually handicapped, except for up to $300,000 of the highway vending profits each fiscal year that may be used to support the Medical Eye Care Program and to provide needed technological equipment and related activities within the Division.~~ programs that enable blind people to live more independently, including medical, rehabilitation, independent living, and educational services offered by the Division of Services for the Blind."

Sec. 2. G.S. 111-47 reads as rewritten:

"*§ 111-47. Exclusions.*

(a) This Article is not intended to cover food services provided by hospitals or residential institutions as a direct service to patients, inmates, trainees, or otherwise institutionalized ~~persons.~~ persons, nor to cover coin-operated vending machines located in State facilities operated under the authority of G.S. 122C.

(b) This Article shall not prohibit the continued use of coin-operated vending machines currently the property of the Division of Services for the Blind of the Department of Human Resources and now part of the vending-stand program."

Sec. 3. Chapter 111 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 4.

"Operation of Highway Vending Facilities on North Carolina Highways.

"*§ 111-48. Preference to blind persons in operation of highway vending facilities.*

In order to provide support for programs for the blind and to further promote employment opportunities for blind persons, the Department of Human Resources may operate automatic vending machines on State property on North Carolina highways and shall give preference to blind persons in the operation of these facilities.

"*§ 111-49. Definitions as used in this Article.*

(a) 'Automatic vending' means a coin, currency, token, ticket, or credit card operated machine that dispenses food, drinks, or sundries.

(b) 'Blind vendor' means a blind person, as specified in G.S. 105-249(b), who has been licensed by the Division of Services for the Blind to operate a vending stand in a public building.

(c) 'Highway vending facilities' means automatic vending operations located on North Carolina highways in Welcome Centers and rest areas designated by the State.

"*§ 111-50. Operations of highway vending.*

(a) In locations on North Carolina highways where the Department of Human Resources determines that automatic vending is suitable, the Department shall authorize the Division of Services for the Blind to contract with blind vendors in the operation of highway vending facilities. The contracts shall be reviewed and renegotiated by the Division every two years and shall be reviewed by the Transfer and Promotion Committee. The Commission for the Blind shall adopt rules necessary to govern the operations. The highway vending program shall be a part of the Business Enterprises Program operated under the Randolph-Sheppard Act, 20 U.S.C. § 107a.

(b) Profits returned to the Division shall be based upon operator net income and determined as follows:

(1) The Division shall charge seventeen percent (17%) set-aside on operator net income up to two and one-half times the average operator income for the previous State fiscal year.

(2) The Division shall charge fifty percent (50%) set-aside on operator net income between two and one-half and three and one-half times the average operator income for the previous State fiscal year.

(3) The Division shall charge sixty-five percent (65%) set-aside on all operator net income over three and one-half times the average operator income for the previous State fiscal year.

"*§ 111-51. Priority for specific blind vendors.*

Blind vendors who were operating highway vending facilities as of July 31, 1991, and who continue to operate those facilities shall be given priority in renegotiating contracts under this Article to continue to operate those same facilities.

"*§ 111-52. Profits from Highway Vending Fund.*

Profits generated by highway vending locations as of June 30, 1992, and deposited in a special fund in accordance with the Administrative Policies and Procedures Manual of the Office of the State Controller shall be reserved for the construction and maintenance of highway vending facility projects."

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1143 **CHAPTER 985**

AN ACT TO CLARIFY THE LAW REGARDING THE COMPUTATION OF THE MINIMUM NUMBER OF BIDS REQUIRED FOR CAPITAL PROJECTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-132(b) reads as rewritten:

"(b) For purposes of contracts bid in the alternative between the ~~separate prime~~ separate-prime and single-prime contracts, pursuant to G.S. 143-128(b), ~~a bid submitted by a single-prime contractor~~ each single-prime bid shall constitute a competitive bid in each of the four subdivisions or branches of work listed in G.S. 143-128(a), and each full set of ~~separate prime~~ separate-prime bids shall constitute a competitive single-prime bid in meeting the requirements of subsection (a) of this section. If there are at least three single-prime bids but there is not at least one full set of separate-prime bids, no separate-prime bids shall be opened."

Sec. 2. The State Building Commission shall develop guidelines no later than October 1, 1992, governing the opening of bids pursuant to this act. These guidelines shall be distributed to all public bodies subject to this act. The guidelines shall not be subject to the provisions of Chapter 150B of the General Statutes.

Sec. 3. Section 1 of this act becomes effective October 1, 1992. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1216 **CHAPTER 986**

AN ACT TO ALLOW THE STATE BOARD OF EDUCATION TO AUTHORIZE THE CHARLOTTE-MECKLENBURG BOARD OF EDUCATION TO USE FUNDS APPROPRIATED FOR TEACHER ASSISTANTS FOR TEACHERS UNDER CERTAIN CIRCUMSTANCES.

The General Assembly of North Carolina enacts:

Section 1. The State Board of Education may authorize a two-year pilot project in the Mecklenburg County School Administrative Unit so that the Charlotte-Mecklenburg Board of Education may reduce class size in grades kindergarten through 3 in certain schools

by using State funds appropriated for teacher assistants for certificated teachers.

The Charlotte-Mecklenburg Board of Education shall use this authority only if the parents and the certificated employees in a school vote to approve of the board's plan for using the authority at their school:

(a) If the board develops a plan for the kindergarten level at a school, the certificated kindergarten staff and the parents of kindergarten children enrolled in the school shall vote by secret ballot on the plan. The board shall implement the plan only if a majority of those voting in each group approve the plan.

(b) If the board develops a plan for grades 1 through 3 at a school, the certificated staff at the school for those grades and the parents of children enrolled in those grades in the school shall vote by secret ballot on the plan. The board shall implement the plan only if a majority of those voting in each group approve the plan.

The Charlotte-Mecklenburg Board of Education shall not abolish any State-funded teacher assistant position that is filled on June 1, 1992, to implement this pilot project, and no more than 75 State-funded teacher assistant positions shall be abolished to implement this pilot project.

The pilot project may be implemented in no more than 18 World Class Pilot Schools, which shall be designated by the Charlotte-Mecklenburg Board of Education.

Sec. 2. The State Board shall study the impact of this pilot project on student performance and shall report the results of its study to the Joint Legislative Education Oversight Committee by January 1, 1995.

Sec. 3. This act becomes effective July 1, 1992, and expires July 1, 1994.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1255 **CHAPTER 987**

AN ACT TO RATIFY, APPROVE, CONFIRM, AND VALIDATE ALL PROCEEDINGS TAKEN IN 1991 BY THE GOVERNING BOARD OF ANY UNIT OF LOCAL GOVERNMENT IN CONNECTION WITH THE EXTENSION OF THE PERIOD DURING WHICH BONDS MAY BE ISSUED.

The General Assembly of North Carolina enacts:

Section 1. All proceedings taken in 1991 by the governing board of any unit of local government in connection with the extension of the period during which bonds may be issued pursuant to G.S. 159-64 are ratified, approved, confirmed, and in all respects validated if the governing board has adopted an order providing for the extension after a public hearing on the extension before the expiration of the period to be extended.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1256 **CHAPTER 988**

AN ACT TO CLARIFY THAT LOCAL GOVERNMENTAL ENTITIES ARE ELIGIBLE TO RECEIVE GRANT FUNDS FOR DOMESTIC VIOLENCE CENTERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 50B-9 reads as rewritten:

"*§ 50B-9. Domestic Violence Center Fund.*

The Domestic Violence Center Fund is established within the State Treasury. The fund shall be administered by the Department of Administration, North Carolina Council for Women, and shall be used to make grants to centers for victims of domestic violence and to The North Carolina Coalition Against Domestic Violence, Inc. This fund shall be administered in accordance with the provisions of the Executive Budget Act. The Department of Administration shall make quarterly grants to each eligible domestic violence center and to The North Carolina Coalition Against Domestic Violence, Inc. Each grant recipient shall receive the same amount. To be eligible to receive funds under this section, a domestic violence center must meet the following requirements:

(1) It shall have been in operation on the preceding July 1 and shall continue to be in operation.

(2) It shall offer all of the following services: a hotline, transportation services, community education programs, daytime services, and call forwarding during the night and it shall fulfill other criteria established by the Department of Administration.

(3) It ~~must~~ shall be a nonprofit ~~corporation.~~ corporation or a local governmental entity."

Sec. 2. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 1261 **CHAPTER 989**

AN ACT TO REMOVE THE REQUIREMENT THAT A PERSON BE A RESIDENT OF THE STATE IN ORDER TO OBTAIN A HUNTING AND FISHING GUIDE LICENSE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 113-270.4(a) reads as rewritten:

"(a) No one may serve for hire as a hunting or fishing guide without having first procured a current and valid hunting and fishing guide license. This license is valid only for use by an individual ~~resident of the State~~ meeting the criteria set by the Wildlife Resources Commission for issuance of the license subject to the limitations set forth in this subdivision. Possession of the hunting and fishing guide license does not relieve the guide from meeting other applicable license requirements. A nonresident may be licensed pursuant to this section only upon the same or similar terms that a North Carolina resident may be licensed in the nonresident's state of residence. The Wildlife Resources Commission may enter into such reciprocal agreements with other states as are necessary to obtain a hunting and fishing guide license in North Carolina subject to the foregoing provisions."

Sec. 2. This act becomes effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 528 **CHAPTER 990**

AN ACT TO AMEND THE FREQUENCY OF REPORTS PREPARED FOR THE GENERAL ASSEMBLY, THE ENVIRONMENTAL REVIEW COMMISSION, AND THE JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS RELATING TO VARIOUS ENVIRONMENTAL PROGRAMS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143B-282 is amended by designating the existing test as subsection (a) and by adding a new subsection to read:

"(b) The Environmental Management Commission shall submit quarterly written reports as to its operation, activities, programs, and progress to the Environmental Review Commission. The Environmental Management Commission shall supplement the written reports required by this subsection with additional written and oral

reports as may be requested by the Environmental Review Commission."

Sec. 2. Section 6 of Chapter 426 of the 1989 Session Laws is repealed.

Sec. 3. Section 3 of Chapter 603 of the 1989 Session Laws, as amended by Section 222 of Chapter 727 of the 1989 Session Laws, reads as rewritten:

"Sec. 3. The Department of Environment, Health, and Natural Resources shall report ~~semi-annually beginning 1 October 1989 to the Joint Legislative Commission on Governmental Operations and~~ on an annual basis beginning 1 September 1992 to the Environmental Review Commission as to progress in the implementation of this act."

Sec. 4. G.S. 120-70.43 is amended by designating the existing text as subsection (a). Section 225(a) of Chapter 727 of the 1989 Session Laws is codified as G.S. 120-70.43(b). Section 46(b) of Chapter 168 of the 1989 Session Laws is codified as G.S. 120-70.43(c).

Sec. 5. G.S. 143B-279.5 reads as rewritten:

"§ *143B-279.5. Biennial State of the Environment Report.*

(a) The Secretary of Environment, Health, and Natural Resources shall report on the state of the environment to the General Assembly and the Environmental Review Commission no later than ~~1 January~~ 15 February of each odd-numbered ~~year beginning 1 January 1991,~~ year. The report shall include:

(1) An identification and analysis of current environmental protection issues and problems within or affecting the State and its people;
(2) Trends in the quality and use of North Carolina's air and water resources;
(3) An inventory of areas of the State where air or water pollution is in evidence or may occur during the upcoming biennium;
(4) Current efforts and resources allocated by the Department to correct identified pollution problems and an estimate, if necessary, of additional resources needed to study, identify, and implement solutions to solve potential problems;
(5) Departmental goals and strategies to protect the natural resources of the State;
(6) Any information requested by the General Assembly or the Environmental Review Commission;
(7) Suggested legislation, if necessary; and
(8) Any other information on the state of the environment the Secretary considers appropriate.

(b) Other State agencies involved in protecting the State's natural resources and environment shall cooperate with the Department of Environment, Health, and Natural Resources in preparing this report."

Sec. 6. Section 47(c) of Chapter 168 of the 1989 Session Laws reads as rewritten:

"(c) All information received pursuant to G.S. 130A-294(k), G.S. 143-215.1(g) and G.S. 143-215.108(c) shall be transmitted to the Solid Waste Management Division of the Department for review and analysis. The Solid Waste Management Division shall consider this information in the development of the comprehensive hazardous waste management plan required by G.S. 130A-294(i) and shall prepare a report on the feasibility of incorporating waste reduction requirements into existing solid and hazardous waste permitting processes. The Solid Waste Management Division shall report to the Environmental Review Commission as to progress in implementing this section ~~on a quarterly basis beginning 1 January 1990.~~ annually beginning 1 January 1993."

Sec. 7. G.S. 130A-309.12(c) reads as rewritten:

"(c) The Department shall report ~~on a quarterly basis~~ on an annual basis beginning 1 September 1992 to the Joint Legislative Commission on Governmental Operations and to the Environmental Review Commission as to the condition of the Solid Waste Management Trust Fund and as to the use of all funds allocated from the Solid Waste Management Trust Fund. ~~Quarterly reports required under this subsection shall be made not later than 60 days after the last day of each calendar quarter beginning with the quarter ending 31 December 1989.~~"

Sec. 8. Section 2 of Chapter 1082 of the 1989 Session Laws, as amended by Section 1 of Chapter 20 of the 1991 Session Laws, reads as rewritten:

"Sec. 2. The Department of Environment, Health, and Natural Resources shall report ~~quarterly~~ to the Joint Legislative Commission on Governmental Operations and the Environmental Review Commission on an annual basis beginning ~~1 July 1991~~ 1 September 1992 on the implementation of the resident inspectors program. The receipts and expenditures provided for by this act shall appear as a separate expansion budget request for the 1991-93 biennium."

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 628 **CHAPTER 991**

AN ACT TO LIMIT THE NUMBER OF HOURS AND THE TIME OF DAY THAT YOUTHS ENROLLED IN SCHOOL ARE ALLOWED TO WORK.

The General Assembly of North Carolina enacts:

Section 1. G.S. 95-25.5 reads as rewritten:

"*§ 95-25.5. Youth employment.*

(a) No youth under 18 years of age shall be employed by any employer in any occupation without a youth employment certificate unless specifically exempted. The Commissioner of Labor shall prescribe regulations for youths and employers concerning the issuance, maintenance and revocation of certificates. Certificates will be issued by county directors of social services, subject to review by the Department of Labor; provided, the Commissioner may by regulation require that the Department of Labor issue certificates for occupations with unusual or unique characteristics.

(a1) During the regular school term, no youth under 18 years of age who is enrolled in school in grade 12 or lower may be employed between 11 p.m. and 5 a.m. when there is school for the youth the next day. This restriction does not apply to youths 16 and 17 years of age if the employer receives written approval for the youth to work beyond the stated hours from the youth's parent or guardian and from the youth's principal or the principal's designee.

(b) No youth under 18 years of age may be employed by an employer in any occupation which the United States Department of Labor shall find and by order declare to be hazardous and without exemption under the Fair Labor Standards Act, or in any occupation which the Commissioner of Labor after public hearing shall find and declare to be detrimental to the health and well-being of youths.

(c) No youth 14 or 15 years of age may be employed by an employer in any occupation except those determined by the United States Department of Labor to be permitted occupations under the Fair Labor Standards Act; provided, such youths may be employed by employers:

(1) No more than three hours on a day when school is in session for the youth;

(2) No more than eight hours on a day when school is not in session for the youth;

(3) Only between 7 A.M. and 7 P.M., except to 9 P.M. during the summer (when school is not in session);

(4) No more than 40 hours in any one week when school is not in session for the youth;

(5) No more than 18 hours in any one week when school is in session for the youth; and

(6) Only outside school hours.

Notwithstanding the above, enrollees in high school apprenticeships or in work experience and career exploration programs as defined under the Fair Labor Standards Act may work up to 23 hours in any one week when school is in session, any portion of which may be during school hours.

(d) No youth 13 years of age or less may be employed by an employer, except youths 12 and 13 years of age may be employed outside school hours in the distribution of newspapers to the consumer but not more than three hours per day. An employment certificate shall not be required for any youth under 18 years of age engaged in the distribution of newspapers to the consumer outside of school hours.

(e) No youth under 16 years of age shall be employed for more than five consecutive hours without an interval of at least 30 minutes for rest. No period of less than 30 minutes shall be deemed to interrupt a continuous period of work.

(f) For any youth 13 years of age or older, the Commissioner may waive any provision of this section and authorize the issuance of an employment certificate when:

(1) He receives a letter from a social worker, court, probation officer, county department of social services, a letter from the North Carolina Alcohol Beverage Control Commission or school official stating those factors which create a hardship situation and how the best interest of the youth is served by allowing a waiver; and

(2) He determines that the health or safety of the youth would not be adversely affected; and

(3) The parent, guardian, or other person standing *in loco parentis* consents in writing to the proposed employment.

(g) Youths employed as models, or as actors or performers in motion pictures or theatrical productions, or in radio or television productions are exempt from all provisions of this section except the certificate requirements of subsection (a).

(h) Youths employed by an outdoor drama directly in production-related positions such as stagehands, lighting, costumes, properties and special effects are exempt from all provisions of this section except the certificate requirements of subsection (a). Positions such as office workers, ticket takers, ushers and parking lot attendants have no exemption and are subject to all provisions of this section.

(i) Youths under ~~16~~ 18 years of age employed by their parents are exempt from all provisions of this section, except the certificate

requirements of subsection (a), the prohibition from hazardous or detrimental occupations of subsection (b), and the prohibitions of subsection (j).

(j) No person who holds any ABC permit issued pursuant to the provisions of Chapter 18B of the General Statutes for the on-premises sale or consumption of alcoholic beverages, including any mixed beverages, shall employ a youth:

(1) Under 16 years of age on the premises for any purpose;

(2) Under 18 years of age to prepare, serve, dispense or sell any alcoholic beverages, including mixed beverages.

(k) Persons and establishments required to comply with or subject to regulation of child labor under the Fair Labor Standards Act are exempt from all provisions of this section, except the certificate requirements of subsection (a), the provisions of subsection (a1), the prohibition from occupations found and declared to be detrimental by the Commissioner of Labor pursuant to subsection (b), and the prohibitions of subsection (j). In addition, employment certificates will not be issued if such person's employment will be in violation of the applicable child labor provisions of the Fair Labor Standards Act. Such employers may also be assessed civil penalties pursuant to G.S. 95-25.23 for each violation of the provisions of this section or any regulation issued hereunder from which there is no exemption.

(l) Notwithstanding any other provision of this section, any youth who holds a North Carolina driver's license valid for the type of driving involved may be assigned as part of his employment to drive an automobile or truck not exceeding 6,000 pounds gross vehicle weight within a 25-mile radius of the principal place of employment, provided that the youth has completed a State-approved driver-education course, and provided that the assignment does not involve the towing of vehicles. 'Gross vehicle weight' includes the truck chassis with lubricants, water and full tank or tanks of fuel, plus the weight of the cab or driver's compartment, body and special chassis and body equipment, and payload."

Sec. 2. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 723 **CHAPTER 992**

AN ACT TO RAISE THE CITY'S FORMAL BID THRESHOLD, TO CHANGE THE DATE WHEN INTEREST ACCRUES ON AND A LIEN IS CREATED FOR A FACILITIES FEE IMPOSED BY THE CITY AND PAYABLE IN INSTALLMENTS, TO EXTEND THE TIME IN WHICH A FACILITIES FEE MAY BE

PAID, AND TO AMEND THE CITY'S CHARTER PROVISIONS CONCERNING ASSESSMENTS FOR WATER MAINS AND SEWERS.

The General Assembly of North Carolina enacts:

Section 1. Section 84(1) of Chapter 671 of the 1975 Session Laws, as added to the Charter of the City of Durham by Chapter 458 of the 1983 Session Laws, reads as rewritten:

"Sec. 84. *Public Contracts.* -- (1) The statutory amounts in G.S. 143-129, relating to the awarding of public contracts, are amended so that the City Council, in awarding public contracts for the purchase of apparatus, supplies, materials, or equipment, is subject to the provisions of G.S. 143-129 only when such purchase requires an estimated expenditure of public funds in an amount equal to or more than ~~twenty thousand dollars ($20,000).~~ thirty thousand dollars ($30,000)."

Sec. 2. Section 115.6 of Chapter 671 of the 1975 Session Laws, as added to the Charter of the City of Durham by Chapter 802 of the 1987 Session Laws and amended by Chapter 476 of the 1989 Session Laws, reads as rewritten:

"Sec. 115.6. *Payment of Facilities Fees.* (a) The City Council may prescribe when and by whom a facilities fee authorized by this Article shall be paid. By way of illustration and not limitation, the City Council may require the payment of any applicable facilities fee by a developer as a condition precedent to the issuance of a building permit for the developer's new construction, or any part thereof.

(b) The City Council may permit the payment of a facilities fee in a lump sum or in equal monthly or annual installments over a period of time not to exceed ~~five~~ 10 years. If paid in installments, such installments shall bear interest at a rate fixed by the City Council of not more than nine percent (9%) per annum from the date when ~~payment by lump sum would have otherwise been due.~~ the City approves payment of the facilities fee in installments. The facilities fee, with accrued interest, may be paid in full at any time.

(c) If a facilities fee is to be paid in installments pursuant to subsection (b) of this section, then from and after the date when ~~payment by lump sum would have otherwise been due,~~ the City approves payment of the facilities fee in installments, the fee shall be a lien on the property of the developer or other person against which the fee was imposed. The facilities fee lien shall be of the same nature and to the same extent as the lien for city and county property taxes. The lien shall be inferior to all prior and subsequent liens for State, local, and federal taxes, equal to liens of special assessments, and superior to all other liens and encumbrances.

(d) If any installment on a facilities fee is not paid when due, then all of the installments remaining unpaid shall immediately become due and payable, and the sums due may be collected by the same process and in the same manner as property taxes due upon the property subject to the lien. By way of illustration and not limitation, the property may be sold by the City under the same rules as are prescribed by law for the foreclosure and sale of land for unpaid property taxes. Foreclosure may be begun at any time following 30 days after the due date. The City shall not be entitled to a deficiency judgment in an action to foreclose a facilities fee lien.

(e) The City may not maintain an action or proceeding to enforce any remedy for the foreclosure of a facilities fee lien unless the action or proceeding is begun within the period of time prescribed by law for the foreclosure of special assessment liens.

(f) For purposes of this section, a 'facilities fee' includes both the fee as defined in Section 115.1(3) of this Charter and the capital facilities fees for water and sewer connections established by the City pursuant to authority conferred by Article 16 of Chapter 160A of the General Statutes."

Sec. 3. Section 77(14)(c) of the Charter of the City of Durham, being Chapter 671 of the 1975 Session Laws, is amended by deleting "150 feet" in both places and substituting "200 feet".

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 916 **CHAPTER 993**

AN ACT TO PROVIDE THAT REIMBURSEMENTS TO LOCAL GOVERNMENTS SHALL BE PROVIDED BY EARMARKING RATHER THAN BY APPROPRIATION AND TO PROVIDE THAT THE FISCAL TRENDS STUDY COMMISSION SHALL STUDY LOCAL GOVERNMENT FISCAL ISSUES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.44C reads as rewritten:

"*§ 105-164.44C. Reimbursement for sales taxes on food stamp foods and supplemental foods.*

~~There is annually appropriated to each county and the cities in the county an amount equal to~~ As soon as practicable after July 1 of each year, the Secretary shall make a preliminary allocation to each county of the amount of local sales taxes that would have been collected in the county during the 1989-90 fiscal year on foods purchased with food stamp coupons or supplemental food instruments in the county, had

these foods not been exempt from tax under G.S. 105-164.13(38). The Secretary shall then distribute the amounts ~~determined to be due~~ allocated to each county between the county and the cities located in the county in accordance with the method by which local sales and use taxes are distributed in that county. In order to pay for the reimbursement under this section and the cost to the Department of Revenue for administering the reimbursement, the Secretary ~~of Revenue~~ shall draw from ~~the Local Government Tax Reimbursement Reserve~~ collections received under Division I of Article 4 of this Chapter an amount equal to the amount of the reimbursement and the cost of administration."

Sec. 2. G.S. 105-275.1(e) reads as rewritten:

"(e) Source of Funds. -- To pay for the distribution required by this section and the cost to the Department of Revenue of making the distribution, the Secretary of Revenue shall draw from ~~the Local Government Tax Reimbursement Reserve~~ collections received under Division I of Article 4 of this Chapter an amount equal to the amount distributed and the cost of making the distribution."

Sec. 3. G.S. 105-277A(f) reads as rewritten:

"(f) Source of Funds. -- To pay for the distribution required by this section and the cost of making the distribution, the Secretary shall draw from ~~the Local Government Tax Reimbursement Reserve~~ collections received under Division I of Article 4 of this Chapter an amount equal to the amount distributed and the cost of making the distribution."

Sec. 4. G.S. 105-277.1A(f) reads as rewritten:

"(f) In order to pay for the reimbursement under this section and the cost to the Department of Revenue of administering the reimbursement, the Secretary of Revenue shall draw from ~~the Local Government Tax Reimbursement Reserve~~ collections received under Division I of Article 4 of this Chapter an amount equal to the reimbursement and the cost of administration."

Sec. 5. G.S. 105-213.1 reads as rewritten:

"§ *105-213.1.* ~~*Additional appropriation to counties and municipalities. Reimbursement to counties and municipalities for partial repeal of tax on intangible personal property.*~~

(a) ~~Appropriation.~~ Reimbursement for Repeal of Tax on Money on Deposit, Money on Hand, and Funds on Deposit with Insurance Companies. -- On or before August 30 of each year, the Secretary of Revenue shall allocate for distribution to each county and the municipalities in the county the amount allocated to the county under this subsection in 1990. ~~As soon as practicable after July 1 of 1986, the Secretary of Revenue shall allocate for distribution to each county and the municipalities located in the county the amount allocated to~~

~~that county from taxes levied under G.S. 105-199, 105-200, and 105-205 for the last taxable year in which these taxes were levied, plus or minus a sum that equals the product of this amount and the percentage by which State disposable personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.~~

~~Thereafter, by August 30 of 1987, 1988, 1989, and 1990, the Secretary shall allocate to each county the amount of funds allocated to the county under this section the preceding year, plus or minus a sum that equals the product of this amount and the percentage by which State disposable personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.~~

~~Thereafter, by August 30 of each year, the Secretary shall allocate to each county the amount of funds allocated to the county under this section in 1990.~~

Amounts allocated to a county under this ~~section~~ subsection shall in turn be divided and distributed between the county and the municipalities located in the county in accordance with the method of allocating intangible tax revenue between a county and the municipalities located in the county provided in G.S. 105-213.

(a1) Reimbursement for Partial Repeal of Tax on Accounts Receivable. -- On or before August 30 of each year, the Secretary of Revenue shall distribute to counties and municipalities an amount equal to forty percent (40%) of the tax collected on accounts receivable during the 1989-90 fiscal year. The Secretary of Revenue shall first allocate the amount to be distributed in this subsection to the counties in the same manner as the amount allocated in G.S. 105-213. The amount allocated to each county shall in turn be divided and distributed between the county and the municipalities located in the county in accordance with the method of allocating intangible tax revenue between a county and the municipalities located in the county provided in G.S. 105-213.

(b) Restrictions on Use. -- Amounts distributed to a county or a municipality under this section are subject to the same restrictions as amounts distributed under G.S. 105-213.

(c) Municipality Defined. -- As used in this section, the term 'municipality' has the same meaning as in G.S. 105-213.

(d) Source. -- Funds distributed under this section shall be drawn from ~~the Local Government Tax Reimbursement Reserve.~~ collections received under Division I of Article 4 of this Chapter."

Sec. 6. G.S. 105-213 reads as rewritten:

"§ *105-213. Appropriation to counties and municipalities; use of appropriation.*

(a) There is annually appropriated from the General Fund to counties and municipalities the amount of revenue collected under this Article during the 1989-90 fiscal year. ~~plus an amount equal to forty percent (40%) of the tax collected on accounts receivable during the 1989-90 fiscal year and~~ less an amount equal to the costs during the preceding fiscal year of:

(1) Refunds made during the fiscal year of taxes levied under this Article.

(2) The Department of Revenue to collect and administer the taxes levied under this Article.

(3) The Department of Revenue in performing the duties imposed by Article 15 of this Chapter.

(4) The Property Tax Commission.

(5) The Institute of Government in operating a training program in property tax appraisal and assessment.

(6) The personnel and operations provided by the Department of State Treasurer for the Local Government Commission.

The appropriation shall be distributed by August 30 of each year. The appropriation shall be included in the Current Operations Appropriations Act.

The appropriation shall be allocated among the counties in proportion to the amount of taxes collected under this Article in each county during the preceding fiscal year. The Secretary of Revenue shall keep a separate record by counties of the taxes collected under this Article. The Secretary shall allocate the amount appropriated under this section to the counties according to the county in which the taxes were collected. The amounts so allocated to each county shall in turn be allocated between the county and the municipalities in the county in proportion to the total amount of ad valorem taxes levied by each during the fiscal year preceding the distribution. In dividing these amounts between each county and its municipalities, the Secretary shall treat taxes levied by a merged school administrative unit described in G.S. 115C-513 in a part of the unit located in a county as taxes levied by the county in which that part is located. After making these allocations, the Secretary of Revenue shall certify to the State Controller and to the State Treasurer the amount to be distributed to each county and municipality in the State. The State Controller shall then issue a warrant on the State Treasurer to each county and municipality in the amount certified. ~~The amount based on forty percent (40%) of the tax collected on accounts receivable shall be drawn from the Local Government Tax Reimbursement Reserve and the amount based on the net amount of revenue collected~~

~~under this Article~~ The funds shall be drawn from the Local Government Tax Sharing Reserve.

For the purpose of computing the distribution of the intangibles tax to any county and the municipalities located in the county for any year with respect to which the property valuation of a public service company is the subject of an appeal pursuant to the provisions of the Machinery Act, or to applicable provisions of federal law, and the Department of Revenue is restrained by operation of law or by a court of competent jurisdiction from certifying such valuation to the county and municipalities therein, the Department shall use the last property valuation of such public service company which has been so certified in order to determine the ad valorem tax levies applicable to such public service company in the county and the municipalities therein.

The ~~chairman~~ chair of each board of county commissioners and the mayor of each municipality shall report to the Secretary of Revenue information requested by the Secretary to enable the Secretary to allocate the amount appropriated by this section. If a county or municipality fails to make a requested report within the time allowed, the Secretary may disregard the county or municipality in allocating the amount appropriated by this section. The amount distributed to each county and municipality shall be used by the county or municipality in proportion to property tax levies made by it for the various funds and activities of the county or municipality, unless the county or municipality has pledged the amount to be distributed to it under this section in payment of a loan agreement with the North Carolina Solid Waste Management Capital Projects Financing Agency. A county or municipality that has pledged amounts distributed under this section in payment of a loan agreement with the Agency may apply the amount the loan agreement requires.

(b) For purposes of this section, the term 'municipality' includes any urban service district defined by the governing board of a consolidated city-county, and the amounts due thereby shall be distributed to the government of the consolidated city-county."

Sec. 7. G.S. 105-275.1(b) reads as rewritten:

"(b) Subsequent Distributions. -- As soon as practicable after January 1, 1990, the Secretary shall pay to each county and city the amount it received under subsection (a) in 1989 plus an amount equal to the county or city average rate multiplied by the value of the items described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has

been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. As soon as practicable after January 1, 1990, the Secretary shall also pay to each county and city an amount equal to the average rate for each special district for which the county or city collected taxes in 1987, but whose tax rates were not included in the county or city's rates, multiplied by the value of the items described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. As soon as practicable after January 1, 1991, except as provided in subsection (f), the Secretary shall pay to each county and city the amount it received under this section the preceding year plus an amount equal to the county or city average rate multiplied by the value of the items described in subdivision (v) of subsection (a) contained in the list submitted by the county or city, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. Thereafter, except as provided in subsection (f), ~~as soon as practicable after January 1~~ on or before April 30 of each year, the Secretary shall distribute to each county and city the amount it received under this section the preceding year.

Of the funds received by each county and city pursuant to this subsection in 1990, the portion that was received because the county or city was collecting taxes for a special district (either because the district's tax rate was included in the city or county's rate or because the Secretary paid the county or city the product of the district's average rate and the value of the inventories and other items in the district) shall be distributed among the districts in the county or city as soon as practicable after the city or county receives the funds. The county or city shall distribute to each special district in the county or city the amount it distributed to the district in 1989 plus an amount equal to the average rate for the district multiplied by the value of the items, other than inventory, described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State

personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

Each year thereafter, as soon as practicable after receiving funds under this subsection, every county and city shall distribute among the special districts for which the county or city collects tax an amount equal to the amount it distributed among such districts the previous year. The Local Government Commission may adopt rules for the resolution of disputes and correction of errors in the distribution among special districts provided in this subsection. In addition, the Local Government Commission may adopt rules for the reallocation of funds when a special district is dissolved, merged, or consolidated, or when a special district ceases to levy tax, either temporarily or permanently."

Sec. 8. G.S. 105-277A(b), (c), (c1), and (c2) read as rewritten:

"(b) First Per Capita Distribution. -- As soon as practicable after January 1 of 1989, the Secretary shall distribute to each taxing unit the unit's per capita share of the sum of fifteen million seven hundred forty-five thousand dollars ($15,745,000). Thereafter, as soon as practicable after January 1 of 1990 and 1991, the Secretary shall distribute to each taxing unit the unit's per capita share of an amount equal to the sum distributed to all taxing units the previous year under this subsection plus or minus the product of the sum distributed the previous year and the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

Thereafter, ~~as soon as practicable after January 1~~ on or before April 30 of each year the Secretary shall distribute to each taxing unit the unit's per capita share of the sum that this subsection provided was to be distributed to all taxing units in 1991.

To make the per capita distributions required by this subsection, the Secretary shall first allocate the sum to be distributed among the counties on a per capita basis. The Secretary shall then compute a per capita distributable amount for each county by dividing the amount allocated to a county by the total population of the county, plus the population of any incorporated towns and cities located in the county. Each taxing unit in a county, including the county itself, shall receive the product of the population of the taxing unit and the per capita distributable amount for that county.

A city or county that receives funds under this subsection and that collects taxes for another taxing unit shall distribute part of the taxes received by it to the taxing unit for which it collects tax. The distribution shall be made on the basis of the proportionate amount of

ad valorem taxes levied, for the most recent fiscal year beginning July 1, by the city or county and by all the taxing units for which the city or county collects tax. This distribution shall be made as soon as practicable after a city or county receives funds from the State under this section.

(c) Second Per Capita Distribution. -- On or before March 20, 1989, the Secretary shall allocate to each county the county's per capita share of the sum of thirty-nine million dollars ($39,000,000).

Each year thereafter, ~~as soon as practicable after January 1,~~ on or before April 30, the Secretary of Revenue shall allocate to each county the amount it received the previous year under this subsection.

Amounts allocated to a county under this subsection shall in turn be divided and distributed between the county and the cities located in the county in proportion to the total amount of ad valorem taxes levied by each during the fiscal year preceding the distribution. For the purposes of this section, the amount of the ad valorem taxes levied by a county or city shall include any ad valorem taxes collected by the county or city in behalf of a special district. For the purpose of computing the distribution for any year with respect to which the property valuation of a public service company is the subject of an appeal and the Department of Revenue is restrained by law from certifying the valuation to the appropriate counties and cities, the Department shall use the latest property valuation of that public service company that has been certified.

The governing body of each county and city shall report to the Secretary of Revenue such information as he may request in order to make the distribution under this subsection. If a county or city fails to make a requested report within the time prescribed, the Secretary may disregard that county or city and the other taxing units in the county or city in making the distribution.

(c1) Claims-based Distribution. -- On or before March 20, 1989, the Secretary shall distribute to each county and city an amount equal to the amount by which the county or city's inventory loss, as defined in subsection (d) of this section, exceeds the amount of the reimbursement received by the county or city under subsection (c) of this subsection.

Except as provided in subsection (g) of this section, each year thereafter, ~~as soon as practicable after January 1,~~ on or before April 30, the Secretary shall distribute to each county and city the amount it received the previous year under this subsection.

(c2) Supplemental Distribution. -- On or before March 20, 1989, the Secretary shall determine, with respect to each county and city, whether the sum of (i) the amount the county or city received under subsection (c), plus (ii) the amount the county or city received under

subsection (c1), plus (iii) three and four-tenths percent (3.4%) of the total distribution received by the county or city under G.S. 105-472, 105-486, 105-493, 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, 1988, is less than ninety percent (90%) of the amount of taxes the county or city actually levied on inventories owned by retailers and wholesalers for the 1987-88 tax year. If that sum is less than ninety percent (90%) of the amount of taxes the county or city actually levied on those inventories for the 1987-88 tax year, the Secretary shall distribute to that county or city a supplemental amount equal to the amount by which ninety percent (90%) of the taxes it actually levied on inventories owned by retailers and wholesalers for the 1987-88 tax year exceeds the total of subdivisions (i), (ii), and (iii).

Except as provided in subsection (g) of this section, each year thereafter, ~~as soon as practicable after January 1,~~ on or before April 30, the Secretary shall distribute to each county and city the amount it received the previous year under this subsection."

Sec. 9. The Joint Select Fiscal Trends and Reform Commission created in Section 348 of Chapter 689 of the 1991 Session Laws shall continue to review the fiscal relationship between the State and its local governments by examining State and local government revenue sources and the allocation of responsibility among the State and its local governments for financing and performing government services. In its work pursuant to this section, the Commission shall examine:

(1) How the timing of the State's budget process affects the ability of local governments to comply with the deadlines imposed in the Local Government Budget and Fiscal Control Act, and whether local governments' fiscal year should be changed to begin on October 1 rather than July 1.

(2) Proposed methods for making local governments more self-reliant, including:
   a. Whether the State should provide local governments with additional revenue options.
   b. Whether State and local responsibilities for providing government services should be reallocated.

(3) Whether local government tax-sharing distributions should be financed by appropriation or by earmarking.

(4) Whether a more adequate and dependable means of financing State and local government services should be devised.

(5) The impact of the repeal of the property tax on inventories upon local government revenues, including the impact upon economic development.

(6) How the fiscal relationship between the State and local governments, particularly the lack of uniform tax rates that results from local option taxes, affects economic development.

(7) The effectiveness of the Local Government Fiscal Information Act, Article 6D of Chapter 120 of the General Statutes.

The Joint Select Fiscal Trends and Reform Commission shall provide for a thorough review of these topics by a subcommittee appointed by the cochairs of the Commission. The results of the subcommittee's study, including its recommendations, shall be studied in detail by the full Commission. The Commission shall include a report of its study of these issues and its recommendations in its final report to the 1993 General Assembly pursuant to Section 348(c) of Chapter 689 of the 1991 Session Laws.

Sec. 10. The amount appropriated to the Reserve for Reimbursements to Local Governments and Shared Tax Revenues for the 1992-93 fiscal year in Section 3 of Chapter 689 of the 1991 Session Laws is reduced by the sum of two hundred thirty-seven million seven hundred eighty-two thousand twenty dollars ($237,782,020).

Sec. 11. G.S. 143-15.1 reads as rewritten:

"*§ 143-15.1. (Effective beginning with the 1992-93 budget) Current Operations Appropriations Act.*

The General Assembly shall enact the Current Operations Appropriations Act by June 15 of odd-numbered years and by June 30 of even-numbered years in which a Current Operations Appropriations Act is enacted. The Current Operations Appropriations Act shall state the amount of General Fund appropriations availability upon which the General Fund budget is based. The statement of availability shall list separately the beginning General Fund credit balance, General Fund revenues, and any other components of the availability amount.

The General Fund operating budget appropriations, including appropriations for ~~local tax reimbursements and~~ local tax sharing, for the second year in a Current Operations Appropriations Act that contains a biennial budget shall not be more than two percent (2%) greater than the General Fund operating budget appropriations for the first year of the biennial budget."

Sec. 12. G.S. 143-15.2, as amended by Chapter 812 of the 1991 Session Laws, reads as rewritten:

"*§ 143-15.2. Use of General Fund credit balance.*

The State Controller shall reserve up to one-fourth of any credit balance, as determined on a cash basis, remaining in the General Fund at the end of each fiscal year to the Savings Reserve Account as

provided in G.S. 143-15.3, unless that would result in the Savings Reserve Account having funds in excess of five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including ~~local government tax reimbursements and~~ local government tax-sharing funds: in that case, only funds sufficient to reach the five percent (5%) level shall be reserved. The General Assembly may appropriate that part of the anticipated General Fund credit balance not expected to be reserved to the Savings Reserve Account only for capital improvements or other one-time expenditures."

Sec. 13. G.S. 143-15.3(a), as amended by Chapter 812 of the 1991 Session Laws, reads as rewritten:

"(a) There is established a Savings Reserve Account as a restricted reserve in the General Fund. The State Controller shall reserve to the Savings Reserve Account one-fourth of any unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account contains funds equal to five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including ~~local government tax reimbursements and~~ local government tax-sharing funds. If the balance in the Savings Reserve Account falls below this level during a fiscal year, the State Controller shall reserve to the Savings Reserve Account for the following fiscal years up to one-fourth of any unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account again equals five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including ~~local government tax reimbursements and~~ local government tax-sharing funds. As used in this section, the term 'unreserved credit balance' means that part of the credit balance, as determined on a cash basis, not already reserved to the Savings Reserve Account."

Sec. 14. G.S. 143-15.4(a) reads as rewritten:

"(a) Size Limitation. Except as otherwise provided in this section, the General Fund operating budget each fiscal year shall not be greater than seven percent (7%) of the projected total State personal income for that fiscal year. For the purpose of this section, the General Fund operating budget includes any appropriations for ~~local tax reimbursements and~~ local tax-sharing, but does not include appropriations for (i) capital expenditures or (ii) one-time expenditures due to natural disasters, federal mandates, or other emergencies."

Sec. 15. This act becomes effective July 1, 1992, except that Section 14 becomes effective beginning with the 1993-94 General Fund operating budget.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 1390 **CHAPTER 994**

AN ACT TO ESTABLISH A WORKPLACE REQUIREMENTS PROGRAM FOR THE SAFETY AND HEALTH OF ALL STATE EMPLOYEES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 143 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 63.

"State Employees Workplace Requirements Program for Safety and Health.

"§ *143-580. Definition.*

As used in this Article, 'State agency' means any department, commission, division, board, or institution of the State within the executive branch of government and the Office of Administrative Hearings.

"§ *143-581. Program goals.*

Each State agency shall establish a written program for State employee workplace safety and health. The program shall promote safe and healthful working conditions and shall be based on clearly stated goals and objectives for meeting the goals. The program shall provide managers, supervisors, and employees with a clear and firm understanding of the State's concern for protecting employees from job-related injuries and health impairment; preventing accidents and fires; planning for emergencies and emergency medical procedures; identifying and controlling physical, chemical, and biological hazards in the workplace; communicating potential hazards to employees; and assuring adequate housekeeping and sanitation.

"§ *143-582. Program requirements.*

The written program required under this Article shall describe at a minimum:

(1) The methods to be used to identify, analyze, and control new or existing hazards, conditions, and operations.

(2) How managers, supervisors, and employees are responsible for implementing the program, controlling accident-related expenditures, and how continued participation of management and employees will be established, measured, and maintained.

(3) How the plan will be communicated to all affected employees so that they are informed of work-related physical, chemical, or biological hazards, and controls necessary to prevent injury or illness.

(4) How managers, supervisors, and employees will receive training in avoidance of job-related injuries and health impairment.

(5) How workplace accidents will be reported and investigated and how corrective actions will be implemented.

(6) How safe work practices and rules will be communicated and enforced.

(7) The safety and health training program that will be made available to employees.

(8) How employees can make complaints concerning safety and health problems without fear of retaliation.

(9) How employees will receive medical attention following a work-related injury or illness.

"*§ 143-583. Model program; technical assistance; reports.*

(a) The State Personnel Commission, through the Office of State Personnel, shall:

(1) Maintain a model program of safety and health requirements to guide State agencies in the development of their individual programs and in complying with the provisions of G.S. 95-148 and this Article.

(2) Establish guidelines for the creation and operation of State agency safety and health committees.

(b) The Office of State Personnel shall:

(1) Provide consultative and technical services to assist State agencies in establishing and administering their workplace safety and health programs and to address specific technical problems.

(2) Monitor compliance with this Article.

(c) The State Personnel Commission shall report annually to the Joint Legislative Commission on Governmental Operations on the safety and health activities of State agencies, compliance with this Article, and the fines levied against State agencies pursuant to Article 16 of Chapter 95 of the General Statutes.

"*§ 143-584. State agency safety and health committees.*

Each State agency shall create, pursuant to guidelines adopted under subsection (a) of G.S. 143-583, safety and health committees to perform workplace inspections, review injury and illness records, make advisory recommendations to the agency's managers, and perform other functions determined by the State Personnel Commission to be necessary for the effective implementation of the State Employees Workplace Requirements Program for Safety and Health."

Sec. 2. G.S. 126-4(10) reads as rewritten:

"(10) Programs of ~~safety, health,~~ employee assistance, productivity incentives, equal ~~opportunity~~ opportunity, safety and health as required by Article 63 of Chapter 143 of the General Statutes, and such other programs and procedures as may be necessary to promote efficiency of administration and provide for a fair and modern system of personnel administration. This subdivision may not be construed to authorize the establishment of an incentive pay program."

Sec. 3. The Legislative Services Commission and the Administrative Office of the Courts are authorized to separately establish safety and health programs for their employees. The Administrative Office of the Courts shall report annually to the Joint Legislative Commission on Governmental Operations on its safety and health activities with respect to its program.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 1539 **CHAPTER 995**

AN ACT TO CHANGE THE PAY DATE FOR CERTAIN EMPLOYEES OF THE HENDERSON COUNTY PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding the provisions of G.S. 115C-302(a), G.S. 115C-316(a), or any other provision of law, the board of education of the Henderson County Public Schools may elect to pay employees of the Henderson County Public Schools, except 12-month employees, child nutrition employees, and bus drivers, on the fifteenth day of each month instead of on the date otherwise provided by law. The pay date selected pursuant to this section shall remain in effect for at least 12 months. Nothing in this section shall have the effect of changing the rate of pay for any employee of the Henderson County Public Schools.

Sec. 2. This act becomes effective July 1, 1993.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 1550 **CHAPTER 996**

AN ACT TO AUTHORIZE ROCKINGHAM COUNTY TO ESTABLISH NOISE DISTRICTS AND TO REGULATE NOISE

WITHIN THOSE DISTRICTS AND TO MODIFY G.S. 160A-443(5a) WITH RESPECT TO THE CITY OF REIDSVILLE.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 5 of the 1991 Session Laws reads as rewritten:

"Sec. 2. This act applies ~~only to Currituck County.~~ to the Counties of Currituck and Rockingham only."

Sec. 2. G.S. 160A-443(5a) reads as rewritten:

"(5a) If the governing body shall have adopted an ordinance, or the public officer shall have issued an order, ordering a dwelling to be repaired or vacated and closed, as provided in subdivision (3)a., and if the owner has vacated and closed such dwelling and kept such dwelling vacated and closed for a period of one year pursuant to the ordinance or order, then if the governing body shall find that the owner has abandoned the intent and purpose to repair, alter or improve the dwelling in order to render it fit for human habitation and that the continuation of the dwelling in its vacated and closed status would be inimical to the health, safety, morals and welfare of the municipality in that the dwelling would continue to deteriorate, would create a fire and safety hazard, would be a threat to children and vagrants, would attract persons intent on criminal activities, would cause or contribute to blight and the deterioration of property values in the area, and would render unavailable property and a dwelling which might otherwise have been made available to ease the persistent shortage of decent and affordable housing in this State, then in such circumstances, the governing body may, after the expiration of such one year period, enact an ordinance and serve such ordinance on the owner, setting forth the following:

a. If it is determined that the repair of the dwelling to render it fit for human habitation can be made at a cost not exceeding fifty percent (50%) of the then current value of the dwelling, the ordinance shall require that the owner either repair or demolish and remove the dwelling within 90 days; or
b. If it is determined that the repair of the dwelling to render it fit for human habitation cannot be made at a cost not exceeding fifty percent (50%) of the then current value of the dwelling, the ordinance shall

require the owner to demolish and remove the dwelling within 90 days.

This ordinance shall be recorded in the Office of the Register of Deeds in the county wherein the property or properties are located and shall be indexed in the name of the property owner in the grantor index. If the owner fails to comply with this ordinance, the public officer shall effectuate the purpose of the ordinance.

~~This subdivision only applies to municipalities located in counties which have a population in excess of 163,000 by the last federal census.~~"

Sec. 3. This act is effective upon ratification. Section 2 of this act applies only to the City of Reidsville.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 1621 **CHAPTER 997**

AN ACT TO ELIMINATE SAFE DRIVER INCENTIVE PLAN SURCHARGES ON ACCIDENTS BY FIRE, RESCUE, OR LAW ENFORCEMENT PERSONNEL WHILE ACTING IN THE LINE OF DUTY.

The General Assembly of North Carolina enacts:

Sec. 1. G.S. 58-36-75(d) reads as rewritten:

"(d) There shall be no Facility recoupment surcharge under G.S. 58-37-40(f) or Safe Driver Incentive Plan surcharges under G.S. 58-36-65 for accidents ~~or conviction for speeding violations~~ occurring when only operating a firefighting, rescue squad, or law enforcement vehicle in response to an emergency if the operator of the vehicle at the time of the accident ~~or speeding violation~~ was a paid or volunteer member of any fire department, rescue squad, or any law enforcement agency. This exception does not include an accident ~~or speeding violation~~ occurring after the vehicle ceases to be used in response to ~~such emergency.~~ the emergency and the emergency ceases to exist."

Sec. 2. This act becomes effective October 1, 1992, and applies to accidents occurring on or after that date.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

H.B. 1677 **CHAPTER 998**

AN ACT TO PROVIDE THAT THE VETERANS' AFFAIRS COMMISSION SHALL ISSUE RULES FOR THE AWARDING OF THE NORTH CAROLINA SERVICES MEDAL TO VETERANS WHO HAVE SERVED IN ANY WAR.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143B-399 reads as rewritten:

"*§ 143B-399. Veterans' Affairs Commission -- creation, powers and duties.*

There is hereby created the Veterans' Affairs Commission of the Department of Administration. The Veterans' Affairs Commission shall have the following functions and duties:

(1) To advise the Governor on matters relating to the affairs of veterans in North Carolina;

(2) To maintain a continuing review of the operation and budgeting of existing programs for veterans and their dependents in the State and to make any recommendations to the Governor for improvements and additions to such matters to which the Governor shall give due consideration;

(3) To serve collectively as a liaison between the Division of Veterans Affairs and the veterans organizations represented on the Commission;

(4) To promulgate rules and regulations concerning the awarding of scholarships for children of North Carolina veterans as provided by Article 4 of Chapter 165 of the General Statutes of North Carolina. The Commission shall make rules and regulations consistent with the provisions of this Chapter. All rules and regulations not inconsistent with the provisions of this Chapter heretofore adopted by the State Board of Veterans' Affairs shall remain in full force and effect unless and until repealed or superseded by action of the Veterans Affairs Commission. All rules and regulations adopted by the Commission shall be enforced by the Division of Veterans' Affairs; ~~and~~

(4a) To promulgate rules concerning the awarding of the North Carolina Services Medal to all veterans who have served in any period of war as defined in 38 U.S.C. § 101. The award shall be self-financing; those who wish to be awarded the medal shall pay a fee to cover the expenses of producing the medal and awarding the medal. All rules adopted by the Commission with respect to the North

Carolina Services Medal shall be implemented and enforced by the Division of Veterans' Affairs; and

(5) To advise the Governor on any matter the Governor may refer to it."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 20th day of July, 1992.

S.B. 732 **CHAPTER 999**

AN ACT TO ESTABLISH THE PROJECT GENESIS PROGRAM, AN EXPERIMENT WITH A RESTRUCTURED SCHOOL APPROACH FOR THE PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. Article 16 of Chapter 115C of the General Statutes is amended by adding a new Part to read:

"Part 6. Project Genesis Program.

"*§ 115C-238.22. Creation of program; purpose.*

(a) The State Board of Education shall permit Gaston and Johnston County school administrative units to establish Project Genesis Pilot Programs.

(b) The purpose of the pilot program shall be to enable up to two schools in each participating local school administrative unit to experiment with a restructured school approach that would combine the concepts of flexibility, competitive bidding on the management of schools, and accountability. Participating local school administrative units shall have two years to (i) determine the feasibility of the project, (ii) secure private funding for any additional funds required for the project, (iii) lay the groundwork for the project, and (iv) if they decide to proceed with the project, begin experimentation in not more than two schools per local school administrative unit.

"*§ 115C-238.23. Implementation by local school boards.*

If a school administrative unit decides to proceed with the project the following procedures shall be followed:

(a) The local board in a participating local school administrative unit shall select a school building that is under construction as its first school under the project.

(b) The local board shall issue a request for proposals for leadership teams to bid to operate the selected school. A team shall mean three or more individuals. To reflect the diversity required to implement the purpose of the project defined in G.S. 115C-238.22, the abilities and experience of team members may include: administrative and educational policy and planning skills; familiarity

with technology for schools; management and classroom experience; and familiarity with the needs of diverse and special populations. One member shall be designated as the principal or leader of the team. At least twenty-five percent (25%) of the team members shall be certificated in accordance with the regulations of the State Board of Education or G.S. 115C-238.6.

Team members awarded the contract shall, if not already, become employees of the local board and become subject to local personnel policies.

(c) The request for proposals shall include the following minimum requirements:

(1) A statement of principles that the local board wants the bidding teams to address;

(2) A specified amount of money available for the operation of the building, which amount shall be within the limits of funds available for the size of school being opened for bid;

(3) A framework for accountability plans by which the success of the project site can be measured, which accountability plans shall include the student performance indicators adopted by the State Board of Education pursuant to G.S. 115C-238.1(3), and shall include factors such as student, parent, and employee satisfaction, parental involvement, community service, and evidence of a focus on developing thinking and reasoning skills;

(4) The student population of a Genesis school shall be representative of its local school administrative unit, shall be racially balanced, and students shall be assigned on a geographic basis;

(5) The mission of the school shall not establish religion nor prohibit the free exercise thereof insofar as that is permitted in a public school by the North Carolina and United States Constitutions; and

(6) Bidding teams shall address how the criteria listed in G.S. 115C-81(b) will be met or varied by the Genesis program.

The local board may include other requirements in the request for proposals.

(d) The local board shall secure private funding for any additional non-State and nonlocal funds required for the project before awarding a contract to a team to operate the selected school.

(e) The local board shall appoint an advisory committee composed of educators, elected officials, parents of children enrolled in the local school administrative unit, and community leaders from within and without the local school administrative unit to screen proposals for the

school building and to make recommendations to the local board of education on the proposals.

The local board shall consider the recommendations of the advisory committee and shall award the contract. All contract negotiations and the award of the contract shall be conducted in open session notwithstanding G.S. 143-318.11(a)(9). The contract shall be for a term not to exceed four years. It may be terminated by the local board at any time for any reason it deems sufficient; it may be terminated by the team for any reason it deems sufficient, but only at the end of a school year and only with 60 days' written notice to the local board of education.

(f) The team that receives the contract shall interview and select all personnel for the building. The team may select personnel from the current employees of the local board. All teachers employed in a Genesis school shall hold or be qualified to hold a certificate in accordance with the regulations of the State Board of Education or G.S. 115C-238.6. The local board shall hire those persons selected by the team so long as those positions are within State, local, and other funds approved for this project by the local board. In no event shall a local board dismiss or demote any employee pursuant to G.S. 115C-325(e)(1)l. as a result of a Genesis project.

Hiring shall take place no later than July 1, prior to the opening of the new building. The team shall begin conducting training and planning sessions as staff is hired.

The local board or the management team may employ noncertificated persons on a temporary basis or for special projects.

(g) The participating school building team shall initiate a comprehensive accountability program immediately. The results shall be published annually and compared to those of traditional schools.

(h) After the third and fourth years of the project, the local board shall review student outcome results of the existing project site. After the fourth year of the project the local board may decide whether to continue the project in the first school and whether an additional building within the school system shall be added to the project. If the board decides to expand the project to a second school the procedures outlined in this section shall be followed.

The second school chosen for the project shall be an existing school that is producing below average results in student achievement as compared to other schools in the unit. Criteria which may be considered to evaluate student achievement may include: test scores, the success of graduating students, attendance, graduation and dropout rates, the numbers of children enrolled in free lunch or Chapter 1 programs, the education level of the parents of children enrolled in the school, the teaching experience of the school staff, and whether the

building has been successful in meeting the goals of the systemwide plan developed in accordance with G.S. 115C-238.1 through G.S. 115C-238.6.

"*§ 115C-238.24. Grants of flexibility by the State Board.*

In implementing local projects, local boards need broad decision-making authority so that local boards and participating school leadership teams can carry out the activities that meet the needs of students in that particular building. Each participating local school administrative unit may request from the State Board of Education, with specificity, those aspects of its project implementation that would be enhanced by flexibility with regard to statutes, policies, and regulations. Upon the recommendation of the State Superintendent, the State Board of Education may grant each local school administrative unit such flexibility with regard to Chapter 115C of the General Statutes, and its policies, and regulations, including the waivers allowed under G.S. 115C-238.6(a)(1) and (a)(2), as it finds necessary and appropriate to implement a local project so long as (i) the total amount of State funds expended for the project does not exceed the amount of State funds available for a school with that average daily membership; (ii) no health or safety standards relating to schools or school transportation are lowered; (iii) the State Board of Education does not find as a fact that the flexibility is being abused; (iv) the provisions of G.S. 115C-325 shall not be waived for any certificated teacher working in a Genesis school; and (v) the standard course of study is included in the education program offered to every child in the Genesis school.

Article 2A of Chapter 150B of the General Statutes shall not apply to actions by the State Board of Education when waiving its rules under this subsection.

The State Board of Education shall report annually waivers granted with regard to statutes, policies, and regulations to the Joint Legislative Education Oversight Committee.

"*§ 115C-238.25. Reporting requirements; evaluation.*

(a) Each participating local school administrative unit shall submit an annual report one year after the local school administrative unit has awarded a contract, and every year thereafter, to the General Assembly, the Joint Legislative Education Oversight Committee, the Superintendent of Public Instruction, and the State Board of Education. The report shall include a comprehensive financial accounting itemizing the amount of and uses of all public and private funds expended for the Genesis school, and all services, equipment, and other resources donated to the school, a description of any accountability plans implemented pursuant to G.S. 115C-238.23(c)(3),

and a description of the student achievement resulting from the implementation of those accountability plans.

(b) The State Board of Education shall conduct an independent evaluation of each Genesis school and the overall project. The State Board of Education shall report the results of the evaluation to the General Assembly and the Joint Legislative Education Oversight Committee as soon as possible but no later than January 15, 1998."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

S.B. 885 **CHAPTER 1000**

AN ACT TO AUTHORIZE THE DEPARTMENT OF CORRECTION TO CHARGE A FEE FOR DRUG TESTING AS A CONDITION OF PROBATION OR PAROLE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 15A-1343(b1)(7) reads as rewritten:

"(7) Submit at reasonable times to warrantless searches by a probation officer of his person and of his vehicle and premises while he is present, for purposes specified by the court and reasonably related to his probation supervision, but the probationer may not be required to submit to any other search that would otherwise be unlawful. Whenever the warrantless search consists of testing for the presence of illegal drugs, the probationer may also be required to reimburse the Department of Correction for the actual cost of drug screening and drug testing, if the results are positive."

Sec. 2. G.S. 15A-1374(b)(11) reads as rewritten:

"(11) Submit at reasonable times to searches of his person by a parole officer for purposes reasonably related to his parole supervision. The Commission may not require as a condition of parole that the parolee submit to any other searches that would otherwise be unlawful. Whenever the search consists of testing for the presence of illegal drugs, the parolee may also be required to reimburse the Department of Correction for the actual cost of drug testing and drug screening, if the results are positive."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

S.B. 1175 **CHAPTER 1001**

AN ACT TO ALLOW CERTAIN COUNTIES TO ACQUIRE PROPERTY FOR USE BY THE COUNTY BOARDS OF EDUCATION AND TO AUTHORIZE BOARDS OF EDUCATION IN CERTAIN COUNTIES TO CONVEY PROPERTY TO THE COUNTY IN CONNECTION WITH IMPROVEMENTS AND REPAIR OF THE PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Chapter 885 of the 1989 Session Laws, as amended by Chapters 120, 533, 832 and 848 of the 1991 Session Laws, reads as rewritten:

"Sec. 2. This act applies only to Bladen, Cabarrus, Carteret, Columbus, Duplin, Franklin, Iredell, Pender, Richmond, Rowan, Sampson, and Stanly Counties."

Sec. 2. Notwithstanding the provisions of G.S. 115C-518 and G.S. 160A-274, a local board of education may lease or sell any of its property to the board of commissioners of the county in which the property is located for any price negotiated between the two boards.

Sec. 3. Section 2 of this act applies only to Carteret, Duplin, and Iredell Counties and to local boards of education for school administrative units in or for these counties. Section 2 of this act applies only to sales and leases of property in connection with additions, improvements, renovations, or repairs to the property or to some part of the property.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

S.B. 1233 **CHAPTER 1002**

AN ACT TO FURTHER AMEND CHAPTER 745 OF THE 1989 SESSION LAWS TO INCREASE THE AUTHORIZED PROJECT COST OF A WHOLLY SELF-LIQUIDATING PROJECT INVOLVING A LEASE BETWEEN THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL AND THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 745 of the 1989 Session Laws, as amended by Chapter 306 of the 1991 Session Laws, reads as rewritten:

"Section 1. The purpose of this act is to authorize the design, construction and equipping, by The University of North Carolina at Chapel Hill (the 'Institution') of a research facility (the 'Project') to be located on the campus of the Institution, to be leased by the Institution, as Lessor, to the United States Government ~~of~~ or any agency thereof as Lessee, to be used by the United States Environmental Protection Agency pursuant to a lease (the 'Lease') with a term not to exceed 30 years, and to be designed, constructed, equipped, and financed at a cost not to exceed ~~thirty seven million dollars ($37,000,000)~~ forty million dollars ($40,000,000) and to authorize the financing of the Project through the issuance of bonds to be repaid solely from revenue derived from the Project."

Sec. 2. This act becomes effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

S.B. 1259 **CHAPTER 1003**

AN ACT TO EXTEND THE GRANDFATHER CLAUSE APPLICATION DEADLINE TO OCTOBER 31, 1992.

The General Assembly of North Carolina enacts:

Section 1. G.S. 88A-11 reads as rewritten:

"*§ 88A-11. Licensure without examination.*

The Board may issue a license to practice electrology, without examination, to an applicant:

(1) Who ~~has been~~ was engaged in the practice of electrolysis prior to January 1, 1992, and who submits an application for licensure to the Board on or before ~~December 31, 1991~~, October 31, 1992.

(2) Who is certified or licensed in good standing to practice electrolysis in another state or other jurisdiction if the other state or jurisdiction grants a similar exclusion to an applicant from North Carolina who applies to practice electrology in that state or jurisdiction."

Sec. 2. G.S. 88A-4 reads as rewritten:

"*§ 88A-4. Unlawful practice.*

(a) Effective ~~January 1, 1992~~, November 1, 1992, it shall be unlawful to engage in the practice of electrolysis in this State without a license.

(b) Any violation of this Chapter shall be a misdemeanor punishable by a fine of not more than five hundred dollars ($500.00), or imprisonment for not more than 60 days, or both."

Sec. 3. This act becomes effective January 1, 1992.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

S.B. 1264 **CHAPTER 1004**

AN ACT TO AMEND THE DEFINITION OF INVENTORIES IN THE MACHINERY ACT TO INCLUDE CERTAIN COMPUTER SOFTWARE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-273(8a) reads as rewritten:

"(8a) 'Inventories' means goods held for sale in the regular course of business by manufacturers and retail and wholesale merchants. As to manufacturers, the term includes raw materials, goods in process, and finished goods, as well as other materials or supplies that are consumed in manufacturing or processing, or that accompany and become a part of the sale of the property being sold. The term also includes crops, livestock, poultry, feed used in the production of livestock and poultry, and other agricultural or horticultural products held for sale, whether in process or ready for sale. The term does not include fuel used in manufacturing or processing, nor does it include materials or supplies not used directly in manufacturing or processing. As to retail and wholesale merchants, the term includes, in addition to articles held for sale, packaging materials that accompany and become a part of the sale of the property being sold.

As to manufacturers and retail and wholesale merchants the term also includes the following computer software, as long as the software is not treated as a capital asset by the taxpayer for income tax purposes:

a. Computer software developed or modified by the owner or licensee for its own use.

b. Computer software developed or modified to the special order of or to meet the particular needs of the owner or licensee.

c. Computer software developed, acquired, or used to develop or enhance computer software for license or sale to ultimate consumers.

For the purpose of this paragraph, the term 'computer software' means a program or routine used to cause a computer to perform a specific task or set of tasks; it

includes both system and application programs and any documentation related to the computer software."

Sec. 2. This act is effective for taxes imposed for taxable years beginning on or after July 1, 1992.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

S.B. 1268 **CHAPTER 1005**

AN ACT TO AMEND THE METHOD OF SELECTING MEMBERS OF THE NORTH CAROLINA SHERIFFS' EDUCATION AND TRAINING STANDARDS COMMISSION APPOINTED BY THE NORTH CAROLINA SHERIFFS' ASSOCIATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 17E-3(a) reads as rewritten:

"(a) There is hereby established the North Carolina Sheriffs' Education and Training Standards Commission. The Commission shall be composed of 16 members as follows:

(1) Sheriffs. -- Eleven sheriffs representing each of the Congressional districts as established and in effect for calendar year 1991, appointed by the North Carolina Sheriffs' Association, in such manner as shall be prescribed by the Constitution or bylaws of such Association.

(2) Appointees of the General Assembly. -- One person appointed by the Speaker of the House of Representatives pursuant to Article 16, G.S. 120-121, and one person appointed by the Lieutenant Governor pursuant to Article 16, G.S. 120-121.

(3) County Commissioners. -- One county commissioner appointed by the Governor as recommended from three nominees from the North Carolina Association of County Commissioners.

(4) Others. -- The President of the Department of Community Colleges or his designee and the Director of the Institute of Government or his designee shall be ex officio, nonvoting members of the Commission."

Sec. 2. G.S. 17E-3(b) reads as rewritten:

"(b) Terms. -- Sheriffs representing Congressional Districts 1, 4, 7, and 10 as established and in effect for calendar year 1991, shall be appointed to a term of one year; sheriffs representing Congressional Districts 2, 5, 8, and 11 as established and in effect for calendar year 1991, shall be appointed to a term of two years; sheriffs representing Congressional Districts 3, 6, and 9 as established and in effect for

calendar year 1991, shall be appointed to a term of three years. The appointee of the House of Representatives shall serve a term of two years. The appointee of the Senate shall serve a term of two years. The county commissioner appointed by the North Carolina Association of County Commissioners shall serve a term of two years. After the initial terms established herein have expired, all sheriffs appointed to the Commission shall be appointed to terms of three years.

If an individual ceases to be a sheriff then his seat on the Commission becomes vacated upon his ceasing to be qualified to hold that seat. Any individual appointed or designated to serve on this Commission shall serve until his successor is appointed and qualified."

Sec. 3. This act is effective upon ratification and expires September 1, 1993.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

H.B. 762 **CHAPTER 1006**

AN ACT TO MODIFY THE AUTHORITY OF GUILFORD AND HAYWOOD COUNTIES AND THE MUNICIPALITIES IN THOSE COUNTIES TO UNDERTAKE LOCAL DEVELOPMENT ACTIVITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 158-7.1 reads as rewritten:

"§ *158-7.1. Local development.*

(a) Each county and city in this State is authorized to make appropriations for the purposes of aiding and encouraging the location of manufacturing enterprises, making industrial surveys and locating industrial and commercial plants in or near such city or in the county; encouraging the building of railroads or other purposes which, in the discretion of the governing body of the city or of the county commissioners of the county, will increase the population, taxable property, agricultural industries and business prospects of any city or county. These appropriations may be funded by levy of property taxes pursuant to G.S. 153A-149 and ~~160A-209~~ G.S. 160A-209, by the allocation of general fund and utility fund revenues, and by ~~and by~~ the allocation of other revenues ~~whose use is not otherwise restricted by law,~~ unless the use of the other revenues for local development purposes has been expressly prohibited by law.

(b) A county or city may undertake the following specific economic development activities. (This listing is not intended to limit by implication or otherwise the grant of authority set out in subsection (a)

of this section). The activities listed in this subsection (b) may be funded by the levy of property taxes pursuant to G.S. 153A-149 and G.S. 160A-209 and by the allocation of other revenues whose use is not otherwise restricted by law.

(1) A county or city may acquire and develop land for an industrial park, to be used for manufacturing, assembly, fabrication, processing, warehousing, research and development, office use, or similar industrial or commercial purposes. A county may acquire land anywhere in the county, including inside of cities, for an industrial park, while a city may acquire land anywhere in the county or counties in which it is located. A county or city may develop the land by installing utilities, drainage facilities, street and transportation facilities, street lighting, and similar facilities; may demolish or rehabilitate existing structures; and may prepare the site for industrial or commercial uses. A county or city may engage in site preparation for industrial properties or facilities, whether the industrial property or facility is publicly or privately owned. A county or city may convey property located in an industrial park pursuant to subsection (d) of this section.

(2) A county or city may acquire, assemble, and hold for resale property that is suitable for industrial or commercial use. A county may acquire such property anywhere in the county, including inside of cities, while a city may acquire such property inside the city or, if the property will be used by a business that will provide jobs to city residents, anywhere in the county or counties in which it is located. A county or city may convey property acquired or assembled pursuant to this paragraph pursuant to subsection (d) of this section.

(3) A county or city may acquire options for the acquisition of property that is suitable for industrial or commercial use. The county or city may assign such an option, following such procedures, for such consideration, and subject to such terms and conditions as the county or city deems desirable.

(4) A county or city may acquire or construct one or more 'shell buildings', which are structures of flexible design adaptable for use by a variety of industrial or commercial businesses. A county or city may convey or lease a shell building or space in a shell building pursuant to subsection (c) of this section.

(5) A county or city may construct, extend or own utility facilities or may provide for or assist in the extension of

utility services to be furnished to an industrial facility, whether the utility is publicly or privately owned.

(6) A county or city may extend or may provide for or assist in the extension of water and sewer lines to industrial properties or facilities, whether the industrial property or facility is publicly or privately owned.

(c) Any appropriation or expenditure pursuant to subsection (b) of this section must be approved by the county or city governing body after a public hearing. The county or city shall publish notice of the public hearing at least 10 days before the hearing is held. The notice shall describe the interest to be acquired, the proposed acquisition cost of such interest, the governing body's intention to approve the acquisition, the source of funding for the acquisition and such other information needed to reasonably describe the acquisition.

(d) A county or city may lease or convey interests in real property held or acquired pursuant to subsection (b) of this section in accordance with the procedures of this subsection (d). A county or city may convey or lease interests in property by private negotiation and may subject the property to such covenants, conditions, and restrictions as the county or city deems to be in the public interest or necessary to carry out the purposes of this section. Any such conveyance or lease must be approved by the county or city governing body, after a public hearing. The county or city shall publish notice of the public hearing at least 10 days before the hearing is held; the notice shall describe the interest to be conveyed or leased, the value of the interest, the proposed consideration for the conveyance or lease, and the governing body's intention to approve the conveyance or lease. Before such an interest may be conveyed, the county or city governing body shall determine the fair market value of the interest, subject to whatever covenants, conditions, and restrictions the county or city proposes to subject it to; the consideration for the conveyance may not be less than the value so determined.

(d1) In arriving at the amount of consideration that it receives, the Board may take into account prospective tax revenues from improvements to be constructed on the property, prospective sales tax revenues to be generated in the area, as well as any other prospective tax revenues or income coming to the county or city over the next 10 years as a result of the conveyance or lease provided the following conditions are met:

(1) The governing board of the county or city shall determine that the conveyance of the property will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs in the county or city.

(2) The governing board of the county or city shall contractually bind the purchaser of the property to construct improvements on the property within a specified period of time, not to exceed 10 years, which improvements are sufficient to generate the tax revenue taken into account in arriving at the consideration. Upon failure to construct the improvements specified in the contract, the purchaser shall reconvey the property back to the county or city.

This subsection applies to the Cities of Concord, Kannapolis, Mooresville, St. Pauls, Selma, Smithfield, Statesville, Troutman, and Winston-Salem, and the Counties of Cabarrus, Forsyth, Iredell, and Johnston.

(e) All appropriations and expenditures pursuant to subsections (b) and (c) of this section shall be subject to the provisions of the Local Government Budget and Fiscal Control Acts of the North Carolina General Statutes, respectively, for cities and counties. The budget format for each such governing body shall make such disclosures in such detail as the Local Government Commission may by rule and regulation direct.

(f) All appropriations and expenditures pursuant to subsections (b) and (c) of this section shall be subject to the following limitations: No county or city shall have an aggregate investment outstanding at any one time which exceeds one-half of one percent (0.5%) of the outstanding assessed property tax valuation for the governing body as of January 1 of each year, beginning January 1, 1986.

(g) Repealed by Session Laws 1989, c. 374, s. 1."

Sec. 2. This act applies only to Guilford and Haywood Counties and the municipalities in those counties.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

H.B. 1321 **CHAPTER 1007**

AN ACT TO MAKE TECHNICAL AND CLARIFYING CHANGES TO THE REVENUE LAWS AND RELATED STATUTES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-102.6 reads as rewritten:

"§ *105-102.6. Producers of newsprint publications.*

(a) Purpose. The purpose of this section is to provide an incentive for the use of recycled newsprint.

(b) Definitions. The following definitions apply in this section:

(1) Net tonnage of newsprint consumed. -- The weight in metric tons of all newsprint ~~consumed~~ acquired by a producer, less the weight in metric tons of any acquired newsprint ~~consumed by~~ the producer ~~diverted~~ diverts from solid ~~waste by the producer.~~ waste.

(2) Newsprint. -- Uncoated paper, whether supercalendered or machine finished, made primarily from mechanical wood pulp combined with some chemical wood pulp, weighing between 24.5 and 35 pounds for 500 sheets of paper 2 feet by 3 feet in size, and having a brightness of less than 60.

(3) Postconsumer waste paper. -- Paper products, generated by a business or consumer, that have served their intended end uses and have been separated or diverted from solid waste.

(4) Producer. -- A person engaged in the business of producing publications printed on newsprint who acquires and uses newsprint for this business.

(5) Recycled content percentage. -- The percentage by weight of the total net tonnage of newsprint consumed by the producer that is postconsumer waste paper.

(c) Minimum Recycled Content Percentage. The recycled content percentage of ~~every person engaged in the business of publishing or printing publications printed on~~ newsprint consumed by a producer shall equal or exceed the following minimum recycled content percentages:

During 1991 and 1992, twelve percent (12%).
During 1993, fifteen percent (15%).
During 1994, twenty percent (20%).
During 1995, twenty-five percent (25%).
During 1996, thirty percent (30%).
During 1997, thirty-five percent (35%).
After 1997, forty percent (40%).

(d) Tax. Every producer shall apply for and obtain from the Secretary of Revenue a newsprint producer tax reporting number. In addition, each producer whose recycled content percentage for a calendar quarter is less than the applicable minimum recycled content percentage provided in subsection (c) for a calendar quarter shall, within 10 days after the last day of the quarter, report to the Secretary the amount in metric tons by which (i) the applicable minimum recycled content percentage multiplied by the net tonnage of newsprint consumed by the producer in the preceding quarter exceeds (ii) the actual tonnage of postconsumer waste paper consumed by the producer during the preceding quarter, and shall pay a tax on the amount reported at the rate of fifteen dollars ($15.00) per ton. This tax is due

when the report is filed. No county, city, or town may impose a license tax on the business taxed under this section.

(e) Exemption. The tax levied in this section does not apply to an amount calculated pursuant to subsection (d) to the extent the amount is attributable solely to the producer's inability to obtain sufficient recycled content newsprint because (i) recycled content newsprint was not available at a price comparable to the price of virgin newsprint; (ii) recycled content newsprint of a quality comparable to virgin newsprint was not available; or (iii) recycled content newsprint was not available within a reasonable period of time during the reporting period. In order to claim the exemption provided in this subsection, a producer must certify to the Secretary of Revenue:

(1) The amount of virgin newsprint consumed by the producer during the reporting period solely for one of the reasons listed above.

(2) That the producer attempted to obtain recycled content newsprint from every manufacturer of recycled content newsprint that offered to sell recycled content newsprint to the producer within the preceding 12 months.

(3) The name, address, and telephone number of each manufacturer contacted, including the company name and the name of the company's individual representative or employee.

(f) Use of Proceeds. The Secretary of Revenue shall, on a quarterly basis, credit the net proceeds of the tax imposed by this section to the Solid Waste Management Trust Fund created in G.S. 130A-309.12."

Sec. 2. G.S. 105-116(e) reads as rewritten:

"(e) Local Tax. -- ~~A municipality that imposed a license, franchise, or privilege tax on or before January 1, 1947, on a company taxed under this section may continue to impose the tax in an amount that does not exceed the amount imposed as of that date. Other municipalities and counties may not impose a license, franchise, or privilege tax on a company taxed under this section.~~ So long as there is a distribution to municipalities of the amount herein provided from the tax imposed by this section, no municipality shall impose or collect any greater franchise, privilege or license taxes, in the aggregate, on the businesses taxed under this section, than was imposed and collected on or before January 1, 1947. If any municipality shall have collected any privilege, license or franchise tax between January 1, 1947, and April 1, 1949, in excess of the tax collected by it prior to January 1, 1947, then upon distribution of the taxes imposed by this section to municipalities, the amount

distributable to any municipality shall be credited with such excess payment."

Sec. 3. G.S. 105-134.6 reads as rewritten:

"§ *105-134.6. Adjustments to taxable income.*

(a) S Corporations. -- The pro rata share of each shareholder in the income attributable to the State of an S Corporation shall be adjusted as provided in G.S. 105-130.5. The pro rata share of each resident shareholder in the income not attributable to the State of an S Corporation shall be subject to the adjustments provided in subsections (b) and (c) of this section.

(b) Deductions. -- The following deductions from taxable income shall be made in calculating North Carolina taxable income, to the extent each item is included in gross income:

(1) Interest upon the obligations of (i) the United States or its possessions, (ii) this State or a political subdivision of this State, or (iii) a nonprofit educational institution organized or chartered under the laws of this State.

(2) Interest upon obligations and gain from the disposition of obligations to the extent the interest or gain is exempt from tax under the laws of this State.

(3) Benefits received under Title II of the Social Security Act and amounts received from retirement annuities or pensions paid under the provisions of the Railroad Retirement Act of 1937.

(4) Repealed by Session Laws 1989 (Reg. Sess., 1990), c. 1002, s. 2.

(5) Refunds of ~~State,~~ state, local, and foreign income taxes included in the taxpayer's gross income.

(6) a. An amount, not to exceed four thousand dollars ($4,000), equal to the sum of the amount calculated in subparagraph b. plus the amount calculated in subparagraph c.

b. The amount calculated in this subparagraph is the amount received during the taxable year from one or more state, local, or federal government retirement plans.

c. The amount calculated in this subparagraph is the amount received during the taxable year from one or more retirement plans other than state, local, or federal government retirement plans, not to exceed a total of two thousand dollars ($2,000) in any taxable year.

d. In the case of a married couple filing a joint return where both spouses received retirement benefits during the taxable year, the maximum dollar amounts provided

in this subdivision for various types of retirement benefits apply separately to each spouse's benefits.

(7) The amount of inheritance tax attributable to an item of income in respect of a decedent required to be included in gross income under the Code, adjusted as provided in G.S. 105-134.5, 105-134.6, and 105-134.7. The amount of inheritance tax attributable to an item of income in respect of a decedent is (i) the amount by which the inheritance tax paid under Article 1 of this Chapter on property transferred to a beneficiary by a decedent exceeds the amount of inheritance tax that would have been payable by the beneficiary if the item of income in respect of a decedent had not been included in the property transferred to the beneficiary by the decedent, (ii) multiplied by a fraction, the numerator of which is the amount required to be included in gross income for the taxable year under the Code, adjusted as provided in G.S. 105-134.5, 105-134.6, and 105-134.7, and the denominator of which is the total amount of income in respect of a decedent transferred to the beneficiary by the decedent. For an estate or trust, the deduction allowed by this subdivision shall be computed by excluding from the gross income of the estate or trust the portion, if any, of the items of income in respect of a decedent that are properly paid, credited, or to be distributed to the beneficiaries during the taxable year.

The Secretary of Revenue may provide to a beneficiary of an item of income in respect of a decedent any information contained on an inheritance tax return that the beneficiary needs to compute the deduction allowed by this subdivision.

(8) The amount by which the taxpayer's deductions allowed under the Code were reduced, and the amount of the taxpayer's deductions that were not allowed, because the taxpayer elected a federal tax credit in lieu of a deduction, to the extent that a similar credit is not allowed by this Division for the amount.

(c) Additions. -- The following additions to taxable income shall be made in calculating North Carolina taxable income, to the extent each item is not included in gross income:

(1) Interest upon the obligations of states, other than this State, and their political subdivisions.

(2) Any amount allowed as a deduction from gross income under the Code that is taxed under the Code by a separate tax other than the tax imposed in section 1 of the Code.

(3) Any amount deducted from gross income under section 164 of the Code as ~~State,~~ state, local, or foreign income tax to the extent that the taxpayer's total itemized deductions deducted under the Code for the taxable year exceed the standard deduction allowable to the taxpayer under the Code reduced by the amount by which the taxpayer's allowable standard deduction has been increased under section 63(c)(4) of the Code.

(4) The amount by which the taxpayer's standard deduction has been increased for inflation under section 63(c)(4) of the Code and the amount by which the taxpayer's personal exemptions have been increased for inflation under section 151(d)(4) of the Code. For the purpose of this subdivision, if the taxpayer's personal exemptions have been reduced by the applicable percentage under section 151(d)(3) of the Code, the amount by which the personal exemptions have been increased for inflation is also reduced by the applicable percentage.

(5) The fair market value, up to a maximum of one hundred thousand dollars ($100,000), of the donated property interest for which the taxpayer claims a credit for the taxable year under G.S. 105-151.12 and the market price of the gleaned crop for which the taxpayer claims a credit for the taxable year under G.S. 105-151.14."

Sec. 4. G.S. 105-164.11 reads as rewritten:

"*§ 105-164.11. Excessive and erroneous collections.*

When the tax collected for any period is in excess of the total amount ~~which~~ that should have been collected, the total amount collected must be paid over to the ~~Secretary less the compensation to be allowed the retailer as hereinafter set forth.~~ Secretary. When tax is collected for any period on exempt or nontaxable sales the tax erroneously collected shall be remitted to the Secretary and no refund ~~thereof~~ shall be made to a taxpayer unless the purchaser has received credit for or has been refunded the amount of tax erroneously charged. This provision shall be construed with other provisions of this Article and given effect so as to result in the payment to the Secretary of the total amount collected as tax if it is in excess of the amount ~~which~~ that should have been collected."

Sec. 5. G.S. 105-188(g) reads as rewritten:

"(g) A donor ~~shall be~~ is entitled to a total exemption of one hundred thousand dollars ($100,000) to be deducted from gifts made to donees named in subdivision ~~(1) of subsection (f),~~ (f)(1), less the sum of amounts claimed and allowed as an exemption in prior calendar years. The exemption, at the option of the donor, may be

taken in its entirety in a single ~~year,~~ year or may be spread over a period of years. When this exemption has been exhausted, no further exemption is allowable. When the exemption or any ~~portion thereof~~ part of the exemption is applied to gifts to more than one donee in any one calendar year, ~~said~~ the exemption shall be apportioned against ~~said~~ the gifts in the same ratio as the gross value of the gifts to each donee is to the total value of ~~said~~ all the gifts made in the calendar ~~year in which said gifts are made.~~ year. No exemption ~~shall be~~ is allowed ~~to~~ a donor for gifts made to donees named in ~~subdivisions (2) and (3) of subsection (f).~~ subdivision (f)(2) or (f)(3)."

Sec. 6. G.S. 105-203 reads as rewritten:

"§ *105-203. Shares of stock.*

All shares of stock (including shares and units of ownership of mutual funds, investment trusts, and investment funds) owned by residents of this State or having a business, commercial, or taxable situs in this State on December 31 of each year, with the exception herein provided, shall be subject to an annual tax, which is hereby levied, of twenty-five cents (25¢) on every one hundred dollars ($100.00) of the total fair market value of the stock on December 31 of each year less the proportion of the value that is equal to:

(1) In the case of a taxpayer that is a corporation, the proportion of the dividends upon the stock deductible by the taxpayer in computing its income tax liability under G.S. 105-130.7 without regard to the fifteen thousand dollar ($15,000) limitation under G.S. 105-130.7; and

(2) In the case of a taxpayer that is not a corporation, the proportion of the dividends upon the stock that would be deductible by the taxpayer, if the taxpayer were a corporation, in computing its income tax liability under the provisions of G.S. 105-130.7(1),(2),(3), ~~and (3a),~~ (3a), and (5), without regard to the fifteen thousand dollar ($15,000) limitation under G.S. 105-130.7.

~~The tax herein levied shall~~ This tax does not apply to shares of stock in building and loan associations or savings and loan associations ~~which pay a tax as levied~~ that pay a tax under Article 8D of ~~Chapter 105 of the General Statutes,~~ this Chapter, nor to shares of stock owned by any corporation ~~which~~ that has its commercial domicile in North Carolina, where the corporation owns more than fifty percent (50%) of the outstanding voting stock.

~~The tax herein levied shall~~ This tax does not apply to units of ownership in an investment trust, the corpus of which is composed (i) entirely of obligations of this State or (ii) entirely of obligations of the United States and of this State, at least eighty percent (80%) of the fair market value of which represents obligations of this State. For the

purpose of this paragraph, 'State' includes the State of North Carolina, political subdivisions of this State, and agencies of ~~such~~ these governmental units; 'United States' includes the United States and its possessions, and the District of Columbia; 'obligations' includes bonds, ~~notes~~ notes, and other evidences of debt. In order for the exemption provided ~~for~~ in this paragraph to apply, ~~it shall be the duty of~~ the trustees of an investment trust ~~to provide to~~ must provide the Secretary of Revenue, in ~~form satisfactory to him and~~ the form required by the Secretary, not later than December 31 of the year with respect to which the exemption applies, information sufficient to establish the applicability of this exemption.

Indebtedness incurred directly for the purchase of shares of stock may be deducted from the total value of those ~~shares; provided,~~ shares if the specific shares of stock so purchased are pledged as collateral to secure the indebtedness; ~~provided further, that~~ however, only so much of the indebtedness may be deducted as is in the same proportion as the taxable value of the shares of stock is to the total value of the shares of stock."

Sec. 7. G.S. 105-213(a) reads as rewritten:

"(a) There is annually appropriated from the General Fund to counties and municipalities the amount of revenue collected under this Article during the 1989-90 fiscal year, plus an amount equal to forty percent (40%) of the tax collected on accounts receivable during the 1989-90 fiscal year and less an amount equal to the costs during the preceding fiscal year of:

(1) Refunds made during the fiscal year of taxes levied under this Article.
(2) The Department of Revenue to collect and administer the taxes levied under this Article.
(3) The Department of Revenue in performing the duties imposed by Article 15 of this Chapter.
(4) The Property Tax Commission.
(5) The Institute of Government in operating a training program in property tax appraisal and assessment.
(6) The personnel and operations provided by the Department of State Treasurer for the Local Government Commission.

The appropriation shall be distributed by August 30 of each year. The appropriation shall be included in the Current Operations Appropriations Act.

The appropriation shall be allocated among the counties in proportion to the amount of taxes collected under this Article in each county during the preceding fiscal year. The Secretary of Revenue shall keep a separate record by counties of the taxes collected under this Article. The Secretary shall allocate the amount appropriated

under this section to the counties according to the county in which the taxes were collected. The amounts so allocated to each county shall in turn be allocated between the county and the municipalities in the county in proportion to the total amount of ad valorem taxes levied by each during the fiscal year preceding the distribution. In dividing these amounts between each county and its municipalities, the Secretary shall treat taxes levied by a merged school administrative unit described in G.S. 115C-513 in a part of the unit located in a county as taxes levied by the county in which that part is located. After making these allocations, the Secretary of Revenue shall certify to the State Controller and to the State Treasurer the amount to be distributed to each county and municipality in the State. The State Controller shall then issue a warrant on the State Treasurer to each county and municipality in the amount certified. The amount based on forty percent (40%) of the tax collected on accounts receivable shall be drawn from the Local Government Tax Reimbursement Reserve and the amount based on the ~~net~~ amount of revenue collected under this Article shall be drawn from the Local Government Tax Sharing Reserve.

For the purpose of computing the distribution of the intangibles tax to any county and the municipalities located in the county for any year with respect to which the property valuation of a public service company is the subject of an appeal pursuant to the provisions of the Machinery Act, or to applicable provisions of federal law, and the Department of Revenue is restrained by operation of law or by a court of competent jurisdiction from certifying such valuation to the county and municipalities therein, the Department shall use the last property valuation of such public service company which has been so certified in order to determine the ad valorem tax levies applicable to such public service company in the county and the municipalities therein.

The chairman of each board of county commissioners and the mayor of each municipality shall report to the Secretary of Revenue information requested by the Secretary to enable the Secretary to allocate the amount appropriated by this section. If a county or municipality fails to make a requested report within the time allowed, the Secretary may disregard the county or municipality in allocating the amount appropriated by this section. The amount distributed to each county and municipality shall be used by the county or municipality in proportion to property tax levies made by it for the various funds and activities of the county or municipality, unless the county or municipality has pledged the amount to be distributed to it under this section in payment of a loan agreement with the North Carolina Solid Waste Management Capital Projects Financing Agency. A county or municipality that has pledged amounts distributed under

this section in payment of a loan agreement with the Agency may apply the amount the loan agreement requires."

Sec. 8. G.S. 105-228.5A reads as rewritten:

"*§ 105-228.5A. Credit against gross premium tax for assessments paid to the Insurance Guaranty Association and the Life and ~~Accident and~~ Health Insurance Guaranty Association.*

(a) The following definitions apply in this section:

(1) Assessment. -- An assessment as described in G.S. 58-48-35 or an assessment as described in ~~G.S. 58-62-40.~~ G.S. 58-62-41.

(2) Association. -- The North Carolina Insurance Guaranty Association created under G.S. 58-48-25 or the North Carolina Life and ~~Accident and~~ Health Insurance Guaranty Association created under ~~G.S. 58-62-25.~~ G.S. 58-62-26.

(3) Commissioner. -- Commissioner of Insurance.

(4) Member insurer. -- A member insurer as defined in G.S. 58-48-20 or a member insurer as defined in ~~G.S. 58-62-20.~~ G.S. 58-62-16.

(b) A member insurer who pays an assessment is allowed as a credit against the tax imposed under G.S. 105-228.5 an amount equal to twenty percent (20%) of the amount of the assessment in each of the five taxable years following the year in which the assessment was paid. In the event a member insurer ceases doing business, all assessments for which it has not taken a credit under this section may be credited against its premium tax liability for the year in which it ceases doing business. The amount of the credit allowed by this section may not exceed the member insurer's premium tax liability for the taxable year.

(c) Any sums that are acquired by refund, under either G.S. 58-48-35 or ~~G.S. 58-62-40,~~ G.S. 58-62-41, from the Association by member insurers, and that have previously been offset against premium taxes as provided in subsection (b) of this section, shall be paid by the member insurers to this State in the manner required by the Commissioner. The Association shall notify the Commissioner that the refunds have been made."

Sec. 9. G.S. 105-228.24 reads as rewritten:

"*§ 105-228.24. Tax limitations.*

(a) The taxes levied in this Article are in lieu of all other taxes except:

(1) Ad valorem taxes imposed upon real property and tangible personal ~~property;~~ property.

(2) Ad valorem taxes imposed upon intangible personal property under G.S. ~~105-199, 105-200, 105-204 and 105-205; and~~ 105-204.

(3) Sales and use taxes levied by the State or any of its taxing units.

(b) Counties, ~~cities~~ cities, and towns may not levy a license tax on a savings and loan association subject to taxation under this Article.5"

Sec. 10. G.S. 105-236(11) reads as rewritten:

"(11) Any violation of ~~the provisions of this Subchapter, Subchapter V of Chapter 105 or Chapter 18B of the General Statutes shall be deemed~~ Subchapter I, V, or VIII of this Chapter or of Article 3 of Chapter 119 of the General Statutes is considered an act committed in part at the office of the Secretary ~~of Revenue~~ in Raleigh. The certificate of the Secretary ~~of Revenue to the effect~~ that a tax has not been paid, ~~that~~ a return has not been filed, or ~~that~~ information has not been supplied, as required by ~~or under the provisions of this Subchapter, or by Subchapter V of Chapter 105 or Chapter 18B of the General Statutes, shall be~~ law, is *prima facie* evidence that ~~such~~ the tax has not been paid, ~~that such~~ the return has not been ~~filed or that such~~ filed, or the information has not been supplied.

The term 'person' as used in this section includes an officer or employee of a corporation, or a member or employee of a partnership who as ~~such~~ officer, employee, or member is under a duty to perform the act in respect to which the violation occurs."

Sec. 11. G.S. 105-237.1(a) reads as rewritten:

"(a) The Secretary of Revenue, with the approval of the Attorney General, is authorized to compromise the amount of liability of any taxpayer for taxes due under ~~Subchapters I or V of this Chapter or under Chapter 18B of the General Statutes~~ Subchapter I, V, or VIII of this Chapter or under Article 3 of Chapter 119 of the General Statutes and to accept in full settlement of ~~such~~ the liability a lesser amount than that asserted to be due when in the opinion of the Secretary and the Attorney General ~~such~~ the compromise settlement is in the best interest of the State. When made other than in the course of litigation in the courts of the State on an appeal from an administrative determination or in a civil action brought to recover from the Secretary, the basis for ~~such~~ the compromise must also conform to the conditions set out in this section. ~~Such~~ The compromise settlement may be made only after a final administrative or judicial determination of the liability of the taxpayer.

~~Such a~~ A compromise settlement may be made only ~~upon a finding that:~~ if one or more of the following findings is made:

(1) There is a reasonable doubt as to the amount of the liability of the taxpayer under the law and the ~~facts; or~~ facts.

(2) The taxpayer is insolvent and the Secretary probably could not otherwise collect an amount equal to or in excess of the amount offered in ~~compromise; or~~ compromise.

(3) Collection of a greater amount than that offered in compromise ~~settlement~~ is improbable, and the funds or a substantial portion of the funds offered in the settlement ~~settlement, or a substantial portion thereof,~~ come from sources from which the Secretary could not otherwise ~~collect; or~~ collect.

(4) A federal tax assessment arising out of the same facts has been compromised with the federal government on the same or a similar basis as that proposed to the State and the Secretary could probably not collect an amount equal to or in excess of that offered in compromise.

For the purposes of this section a taxpayer may be considered insolvent only if (i) there is an established status of insolvency by either a judicial declaration of a status necessarily or ordinarily involving insolvency or by a legal proceeding in which the insolvency of the taxpayer would ordinarily be determined or ~~thereby be~~ made evident or ~~if~~ (ii) it is plain and indisputable that the taxpayer is clearly insolvent and will remain so in the reasonable future. Whenever a compromise is made by the Secretary pursuant to this ~~section,~~ section and the unpaid amount of the tax assessed is one hundred dollars ($100.00) or more, the Secretary shall place ~~there shall be placed~~ on file in the office of the Secretary a written opinion, signed by the Secretary and the Attorney General, setting forth the amount of tax or additional tax assessed, the amount actually paid in accordance with the terms of the compromise, and a summary of the facts and reasons upon which acceptance of the compromise is based. ~~based, provided, however, that such opinion shall not be required with respect to the compromise of any taxpayer's liability where the unpaid amount of tax assessed (including interest, penalty and additional tax) is less than one hundred dollars ($100.00).~~"

Sec. 12. G.S. 105-242(a)(1) reads as rewritten:

"(1) The Secretary may issue a warrant or an order under the Secretary's hand and official seal, directed to the sheriff of any county of the State, commanding him to levy upon and sell the real and personal property of the taxpayer found within the county for the payment of the tax, including penalties and interest, and the cost of executing the warrant and to return to the Secretary the money collected, within a time to be specified in the warrant, not less than 60 days from the date of the warrant; the sheriff upon receipt of the warrant shall proceed in all respects with like effect and in

the same manner prescribed by law in respect to executions issued against property upon judgments of a court of record, and shall be entitled to the same fees for his services in executing the warrant, to be collected in the same manner."

Sec. 13. G.S. 105-242(b) reads as rewritten:

"(b) Bank deposits, rents, salaries, wages, and all other choses in action or property incapable of manual levy or delivery, including property held in the Escheat Fund, hereinafter called the intangible, belonging, owing, or to become due to any taxpayer subject to any of the provisions of this Subchapter, or which has been transferred by such taxpayer under circumstances which would permit it to be levied upon if it were tangible, shall be subject to attachment or garnishment as herein provided, and the person owing said intangible, matured or unmatured, or having same in his possession or control, hereinafter called the garnishee, shall become liable for all sums due by the taxpayer under this Subchapter to the extent of the amount of the intangible belonging, owing, or to become due to the taxpayer subject to the setoff of any matured or unmatured indebtedness of the taxpayer to the garnishee; provided, however, the garnishee shall not become liable for any sums represented by or held pursuant to any negotiable instrument issued and delivered by the garnishee to the taxpayer and negotiated by the taxpayer to a bona fide holder in due course, and whenever any sums due by the taxpayer and subject to garnishment are so held or represented, the garnishee shall hold such sums for payment to the Secretary of Revenue upon the garnishee's receipt of such negotiable instrument, unless such instrument is presented to the garnishee for payment by a bona fide holder in due course in which event such sums may be paid in accordance with such instrument to such holder in due course. To effect such attachment or garnishment the Secretary of Revenue shall serve or cause to be served upon the taxpayer and the garnishee a notice as hereinafter provided, which notice may be served by any deputy or employee of the Secretary of Revenue or by any officer having authority to serve summonses or may be served in any manner provided in Rule 4 of the North Carolina Rules of Civil Procedure. The notice shall:

(1) Show the name of the taxpayer, and if known his Social Security number or federal tax identification number and his address;

(2) Show the nature and amount of the tax, and the interest and penalties thereon, and the year or years for which the same were levied or assessed, and

(3) Be accompanied by a copy of this subsection, and thereupon the procedure shall be as follows:

If the garnishee has no defense to offer or no setoff against the taxpayer, he shall within 10 days after service of said notice, answer the same by sending to the Secretary of Revenue by registered or certified mail a statement to that effect, and if the amount due or belonging to the taxpayer is then due or subject to his demand, it shall be remitted to the Secretary with said statement, but if said amount is to mature in the future, the statement shall set forth that fact and the same shall be paid to the Secretary upon maturity, and any payment by the garnishee hereunder shall be a complete extinguishment of any liability therefor on his part to the taxpayer. If the garnishee has any defense or setoff, he shall state the same in writing under oath, and, within 10 days after service of said notice, shall send two copies of said statement to the Secretary by registered or certified mail; if the Secretary admits such defense or setoff, he shall so advise the garnishee in writing within 10 days after receipt of such statement and the attachment or garnishment shall thereupon be discharged to the amount required by such defense or setoff, and any amount attached or garnished hereunder which is not affected by such defense or setoff shall be remitted to the Secretary as above provided in cases where the garnishee has no defense or setoff, and with like effect. If the Secretary shall not admit the defense or setoff, he shall set forth in writing his objections thereto and shall send a copy thereof to the garnishee within 10 days after receipt of the garnishee's statement, or within such further time as may be agreed on by the garnishee, and at the same time he shall file a copy of said notice, a copy of the garnishee's statement, and a copy of his objections thereto in the superior court of the county where the garnishee resides or does business where the issues made shall be tried as in civil actions.

If judgment is entered in favor of the Secretary of Revenue by default or after hearing, the garnishee shall become liable for the taxes, interest and penalties due by the taxpayer to the extent of the amount over and above any defense or setoff of the garnishee belonging, owing, or to become due to the taxpayer, but payments shall not be required from amounts which are to become due to the taxpayer until the maturity thereof, nor shall more than ~~10 percent~~ ten percent (10%) of any taxpayer's salary or wages be required to be paid hereunder in any one month. The garnishee may satisfy said judgment upon paying said amount, and if he fails to do so, execution may issue as provided by law. From any judgment or order entered upon such hearing either the Secretary of Revenue or the garnishee may appeal as provided by law. If, before or after judgment, adequate security is filed for the payment of said taxes, interest, penalties, and costs, the attachment or garnishment may be released or execution stayed pending appeal, but the final judgment shall be paid or

enforced as above provided. The taxpayer's sole remedies to question his liability for said taxes, interest, and penalties shall be those provided in this Subchapter, as now or hereafter amended or supplemented. If any third person claims any intangible attached or garnished hereunder and his lawful right thereto, or to any part thereof, is shown to the Secretary, he shall discharge the attachment or garnishment to the extent necessary to protect such right, and if such right is asserted after the filing of said copies as aforesaid, it may be established by interpleader as now or hereafter provided by law in cases of attachment and garnishment. In case such third party has no notice of proceedings hereunder, he shall have the right to file his petition under oath with the Secretary at any time within 12 months after said intangible is paid to him and if the Secretary finds that such party is lawfully entitled thereto or to any part thereof, he shall pay the same to such party as provided for refunds by ~~G.S. 105-267.1,~~ G.S. 105-266.1, and if such payment is denied, said party may appeal from the determination of the Secretary under the provisions of G.S. 105-241.4; provided, that in taking an appeal to the superior court, said party may appeal either to the Superior Court of Wake County or to the superior court of the county wherein he resides or does business. The intangibles of a taxpayer shall be paid or collected hereunder only to the extent necessary to satisfy said taxes, interest, penalties, and costs. Except as hereinafter set forth, the remedy provided in this section shall not be resorted to unless a warrant for collection or execution against the taxpayer has been returned unsatisfied: Provided, however, if the Secretary is of opinion that the only effective remedy is that herein provided, it shall not be necessary that a warrant for collection or execution shall be first returned unsatisfied, and in no case shall it be a defense to the remedy herein provided that a warrant for collection or execution has not been first returned unsatisfied.

This subsection shall be applicable with respect to the wages, salary or other compensation of officials and employees of this State and its agencies and instrumentalities, officials and employees of political subdivisions of this State and their agencies and instrumentalities, and also officials and employees of the United States and its agencies and instrumentalities insofar as the same is permitted by the Constitution and laws of the United States. In the case of State or federal employees, the notice shall be served upon such employee and upon the head or chief fiscal officer of the department, agency, instrumentality or institution by which the taxpayer is employed. In case the taxpayer is an employee of a political subdivision of the State, the notice shall be served upon such employee and upon the chief fiscal officer, or any officer or person charged with making up the

payrolls, or disbursing funds, of the political subdivision by which the taxpayer is employed. Such head or chief officer or fiscal officer or other person as specified above shall thereafter, subject to the limitations herein provided, make deductions from the salary or wages due or to become due the taxpayer and remit same to the Secretary until the tax, penalty, interest and costs allowed by law are fully paid. Such deductions and remittances shall, *pro tanto*, constitute a satisfaction of the salary or wages due the taxpayer."

Sec. 14. G.S. 105-251.1 is repealed.

Sec. 15. G.S. 105-253(c) is repealed.

Sec. 16. G.S. 105-256(c)(3) reads as rewritten:

"(3) Upon request, one copy to each entity and official to which a copy of the reports of the Appellate Division of the General Court of Justice ~~are~~ is furnished under G.S. 7A-343.1."

Sec. 17. G.S. 105-269.3 reads as rewritten:

"*§ 105-269.3. Administration and enforcement of Subchapter V and fuel inspection fee.*

This Article applies to taxes levied under Subchapter V of this Chapter ~~and to inspection fees levied under Chapter 119 of the General Statutes,~~ and to inspection fees levied under Chapter 119 of the General Statutes. The State Highway Patrol and law enforcement officers and other appropriate personnel in the Division of Motor Vehicles of the Department of Transportation may assist the Department of Revenue in enforcing Subchapter V of this Chapter and Article 3 of Chapter 119 of the General Statutes. The State Highway Patrol and law enforcement officers of the Division of Motor Vehicles have the power of peace officers in matters concerning the enforcement of Subchapter V of this Chapter and Article 3 of Chapter 119 of the General Statutes."

Sec. 18. G.S. 105-277A(c2) reads as rewritten:

"(c2) Supplemental Distribution. -- On or before March 20, 1989, the Secretary shall determine, with respect to each county and city, whether the sum of (i) the amount the county or city received under subsection (c), plus (ii) the amount the county or city received under subsection (c1), plus (iii) three and four-tenths percent (3.4%) of the total distribution received by the county or city under G.S. 105-472, 105-486, ~~105-493,~~ 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, 1988, is less than ninety percent (90%) of the amount of taxes the county or city actually levied on inventories owned by retailers and wholesalers for the 1987-88 tax year. If that sum is less than ninety percent (90%) of the amount of taxes the county or city actually levied on those inventories for the 1987-88 tax year, the Secretary shall distribute to that county

or city a supplemental amount equal to the amount by which ninety percent (90%) of the taxes it actually levied on inventories owned by retailers and wholesalers for the 1987-88 tax year exceeds the total of subdivisions (i), (ii), and (iii).

Except as provided in subsection (g) of this section, each year thereafter, as soon as practicable after January 1, the Secretary shall distribute to each county and city the amount it received the previous year under this subsection."

Sec. 19. G.S. 105-277A(d) reads as rewritten:

"(d) Definitions. -- ~~As used in this section, the term~~ The following definitions apply in this section:

(1) 'City' has the same meaning as in ~~G.S. 153A-1(1);~~ G.S. 153A-1(1).

(2) 'City's inventory loss' means the city's average rate multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section by the city, plus the average rate for each special district for which the city collected taxes in 1987, but whose tax rates were not included in the city's rates, multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section in behalf of the district, plus or minus the percentage of this amount that equals the lesser of five percent (5%) or the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce, minus three and four-tenths percent (3.4%) of the total distribution received by the city under G.S. 105-472, 105-486, ~~105-493,~~ 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, ~~1988;~~ 1988.

(3) 'County's inventory loss' means the county's average rate multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section by the county, plus the average rate for each special district for which the county collected taxes in 1987, but whose tax rates were not included in the county's rates, multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section in behalf of the district, plus or minus the percentage of this amount that equals the lesser of five percent (5%) or the percentage by which State personal income has increased or decreased during the most recent

12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce, minus three and four-tenths percent (3.4%) of the total distribution received by the county under G.S. 105-472, 105-486, ~~105-493,~~ 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31, ~~1988;~~ 1988.

(4) 'Special district's inventory levy' means the special district's average rate multiplied by eighty percent (80%) of the value of the inventories reported to the Secretary under subsection (a) of this section in behalf of the ~~district;~~ district.

(5) 'Taxing unit' means a unit that levied a property tax or for which another unit collected a property tax for the fiscal year beginning July 1 of the year preceding the date a distribution is made under this section."

Sec. 20. G.S. 105-288(c) reads as rewritten:

"(c) Oath. -- Each member of the Property Tax Commission, as the appointed holder of an office, shall take the oath required by Article VI, § 7 of the North Carolina Constitution with the following ~~sentence~~ phrase added to it: ~~'That~~ 'that I will not allow my actions as a member of the Property Tax Commission to be influenced by personal or political friendships or ~~obligations.'~~ obligations.'."

Sec. 21. G.S. 105-295 reads as rewritten:

"§ *105-295. Oath of office for assessor.*

The assessor, as the holder of an appointed office, shall take the oath required by Article VI, § 7 of the North Carolina Constitution with the following ~~sentence~~ phrase added to it: ~~'That~~ 'that I will not allow my actions as assessor to be influenced by personal or political friendships or ~~obligations.'~~ obligations.'. The oath must be filed with the clerk of the board of county commissioners."

Sec. 22. G.S. 105-322(c) reads as rewritten:

"(c) Oath. -- Each member of the ~~Board of Equalization and Review~~ board of equalization and review shall take the oath required by Article VI, § 7 of the North Carolina Constitution with the following ~~sentence~~ phrase added to it: ~~'That~~ 'that I will not allow my actions as a member of the ~~Board of Equalization and Review~~ board of equalization and review to be influenced by personal or political friendships or ~~obligations.'~~ obligations.'. The oath must be filed with the clerk of the board of county commissioners."

Sec. 23. G.S. 105-349(g) reads as rewritten:

"(g) Oath. -- Every tax collector and deputy tax collector, as the holder of an office, shall take the oath required by Article VI, § 7 of the North Carolina Constitution with the following ~~sentence~~ phrase added to it: ~~'That~~ 'that I will not allow my actions as tax collector to

be influenced by personal or political friendships or ~~obligations.'~~ obligations,'. The oath must be filed with the clerk of the governing body of the taxing unit."

Sec. 24. The first line of Section 1 of Chapter 267 of the 1991 Session Laws is amended by deleting the phrase "18B-1114.1(a)" and substituting the phrase "18B-1114.1".

Sec. 25. Section 15 of Chapter 441 of the 1991 Session Laws is repealed.

Sec. 26. Section 6 of Chapter 652 of the 1991 Session Laws reads as rewritten:

"Sec. 6. Chapters 591, 905, 938, 940, 974, 1007, and 1017 of the 1989 Session Laws are ~~repealed.~~ repealed to clarify that G.S. 153A-293, as amended by this act, is a statewide statute and not a local statute. An ordinance adopted under a local act that is repealed by this act is considered to have been adopted under G.S. 153A-293, as amended by this act."

Sec. 27. G.S. 20-7(a)(3)b. reads as rewritten:

"b. When operated by a volunteer member of a fire department, a rescue ~~squad~~ squad, or ~~Emergency Medical Services~~ an emergency medical service (EMS) in the performance of duty, a Class A or Class B fire-fighting, rescue, or EMS motor ~~vehicle,~~ vehicle or a combination of these vehicles."

Sec. 28. G.S. 20-14 reads as rewritten:

"*§ 20-14. Duplicate licenses.*

A ~~licensee~~ person may obtain a duplicate of a license issued by the Division by paying a fee of ten dollars ($10.00) and giving the Division satisfactory proof that any of the following has occurred:

(1) The person's license has been lost or destroyed.

(2) It is necessary to change the name or address on the license.

(3) Because of ~~the licensee's~~ age, the ~~licensee~~ person is entitled to a license with a different color photographic ~~background; or~~ background.

(4) ~~He has become eligible for reinstatement of his North Carolina driving privilege following a period of suspension or revocation and the last license issued has not yet expired.~~ The Division revoked the person's license, the revocation period has expired, and the period for which the license was issued has not expired."

Sec. 29. G.S. 20-30(8) reads as rewritten:

"(8) To possess more than one commercial drivers license or to possess a commercial drivers license and a regular drivers license. Any commercial drivers license other than the ~~[one]~~ one most recently issued is subject to immediate

seizure by any law enforcement officer or judicial official. Any regular drivers license possessed at the same time as a commercial drivers license is subject to immediate seizure by any law enforcement officer or judicial official."

Sec. 30. G.S. 20-37.6 reads as rewritten:

"§ *20-37.6.* ~~*Handicapped:*~~ *Parking privileges for handicapped drivers and* ~~*passengers; parking privileges.*~~ *passengers.*

(a) General Parking. -- Any vehicle that is driven by or is transporting a person who is handicapped ~~as defined by G.S. 20-37.5 displaying~~ and that displays a distinguishing license plate, a removable windshield placard, or a temporary ~~removal~~ removable windshield placard may be parked for unlimited periods in parking zones restricted as to the length of time parking is permitted. This provision has no application to those zones or during times in which the stopping, parking, or standing of all vehicles is prohibited or which are reserved for special types of vehicles. Any qualifying vehicle may park in spaces designated ~~by aboveground markings~~ as restricted to vehicles ~~distinguished as being~~ driven by or ~~as~~ transporting the handicapped.

(b) Handicapped Car Owners; Distinguishing License Plates. -- If the handicapped person is a registered owner of a vehicle, the owner may apply for and display a distinguishing license plate. This license plate shall be issued for the normal fee applicable to standard license plates. Any vehicle owner who qualifies for a distinguishing license plate may also receive one removable windshield placard.

(c) Handicapped Drivers and Passengers; Distinguishing Placards. -- A handicapped person may apply for the issuance of a removable windshield placard or a temporary removable windshield placard. Upon request, one additional placard may be issued to applicants who do not have a distinguishing license plate. Any organization which, as determined and certified by the State Vocational Rehabilitation Agency, regularly transports handicapped persons may also apply. These organizations may receive one removable windshield placard for each transporting vehicle. When the removable windshield or temporary removable windshield placard is properly displayed, all parking rights and privileges extended to vehicles displaying a distinguishing license plate issued pursuant to subsection (b) shall apply. The removable windshield placard or the temporary removable windshield placard shall be displayed so that it may be viewed from the front and rear of the vehicle by hanging it from the front windshield rearview mirror of a vehicle using a parking space allowed for handicapped persons. When there is no inside rearview mirror, or when the placard cannot reasonably be hung from the rearview mirror by the handicapped person, the placard shall be displayed on

the driver's side of the dashboard. A removable windshield placard placed on a motorized wheelchair or similar vehicle shall be displayed in a clearly visible location. The Division ~~of Motor Vehicles~~ shall establish procedures for the issuance of the placards and may charge a fee sufficient to pay the actual cost of issuance, but in no event less than five dollars ($5.00) per placard.

(c1) ~~Application for Placard;~~ Application and Renewal; Physician's Certification. -- The initial application for a distinguishing license plate, removable windshield placard, or temporary removable windshield placard shall be accompanied by a certification of a licensed physician, ophthalmologist, ~~optometrist,~~ or optometrist or of the Division of Services for the Blind that the applicant ~~meets the definition of a person being handicapped in G.S. 20-37.5,~~ is handicapped. The application for a temporary removable windshield placard shall contain additional certification to include the period of time the certifying authority determines the applicant will have the disability. Distinguishing license plates shall be renewed annually, but subsequent applications shall not require a medical certification that the applicant ~~meets the definition of being handicapped in G.S. 20-37.5,~~ is handicapped. Removable windshield placards shall be renewed every five years, and the renewal shall require a medical recertification that the person is ~~handicapped as defined in G.S. 20-37.5,~~ handicapped. Temporary removable windshield placards shall expire no later than six months after issuance.

(c2) Existing Placards; Expiration; Exchange for New Placards. -- All existing placards shall expire on January 1, 1992. No person shall be convicted of parking in violation of this Article by reason of an expired placard if the defendant produces in court, at the time of trial on the illegal parking charge, an expired placard and a renewed placard issued within 30 days of the expiration date of the expired placard and which would have been a defense to the charge had it been issued prior to the time of the alleged offense. Existing placards issued on or after July 1, 1989, may be exchanged without charge for the new placards.

(d) Designation of Parking ~~Places.~~ Spaces. -- Designation of parking spaces for handicapped persons on streets and public vehicular areas shall comply with G.S. 136-30. A sign designating a parking space for handicapped persons shall state the maximum penalty for parking in the space in violation of the law.

(d1) Repealed by Session Laws 1991, c. 530, s. 4.

(e) Enforcement of Handicapped Parking Privileges. -- It shall be unlawful:

(1) To park or leave standing any vehicle in a space designated with a sign pursuant to subsection (d) of this section for

handicapped persons when the vehicle does not display the distinguishing license plate, removable windshield ~~placard~~ placard, or temporary removable windshield placard ~~or identification card~~ as provided in this ~~section~~ section, or a disabled veteran registration plate issued under G.S. 20-79.4;

(2) For any person not qualifying for the rights and privileges extended to handicapped persons under this section to exercise or attempt to exercise such rights or privileges by the unauthorized use of a distinguishing license plate, removable windshield placard, or temporary removable windshield placard issued pursuant to the provisions of this section;

(3) To park or leave standing any vehicle so as to obstruct a curb ramp or curb cut for handicapped persons as provided for by the North Carolina Building Code or as designated in G.S. 136-44.14;

(4) For those responsible for designating parking spaces for the handicapped to erect or otherwise use signs not conforming to G.S. 20-37.6(d) for this purpose.

This section is enforceable in all public vehicular ~~areas specified in G.S. 20-4.01(32).~~ areas.

(f) Penalties for Violation. --

(1) A violation of G.S. 20-37.6(e)(1), (2) or (3) is an infraction which carries a penalty of at least fifty dollars ($50.00) but not more than one hundred dollars ($100.00) and whenever evidence shall be presented in any court of the fact that any automobile, truck, or other vehicle was found to be parked in a properly designated handicapped parking space in violation of the provisions of this section, it shall be *prima facie* evidence in any court in the State of North Carolina that the vehicle was parked and left in the space by the person, firm, or corporation in whose name the vehicle is registered and licensed according to the records of the ~~Division of Motor Vehicles.~~ Division. No evidence tendered or presented under this authorization shall be admissible or competent in any respect in any court or tribunal except in cases concerned solely with a violation of this section.

(2) A violation of G.S. 20-37.6(e)(4) is an infraction which carries a penalty of at least fifty dollars ($50.00) but not more than one hundred dollars ($100.00) and whenever evidence shall be presented in any court of the fact that ~~any such~~ a nonconforming sign ~~or markings are~~ is being used it shall be *prima facie* evidence in any court in the State of

North Carolina that the person, firm, or corporation with ownership of the property where ~~said~~ the nonconforming ~~signs or markings are~~ sign is located is responsible for violation of this section. Building inspectors and others responsible for North Carolina State Building Code violations specified in G.S. 143-138(h) where such signs are required by the Handicapped Section of the North Carolina State Building Code, may cause a citation to be issued for this violation and may also initiate any appropriate action or proceeding to correct such violation.

(3) A law-enforcement officer, including a security officer who has authority to enforce laws on the property of his employer as specified in Chapter 74A, may cause a vehicle parked in violation of this section to be towed; and such officer shall be a legal possessor as provided in G.S. 20-161(d)(2). This law-enforcement officer, or security officer, shall not be held to answer in any civil or criminal action to any owner, lienholder or other person legally entitled to the possession of any motor vehicle removed from such space pursuant to this section, except where such motor vehicle is willfully, maliciously, or negligently damaged in the removal from aforesaid space to place of storage.

(4) Notwithstanding any other provision of the General Statutes, the provisions of this section relative to handicapped parking shall be enforced by State, county, city and other municipal authorities in their respective jurisdictions whether on public or private property in the same manner as is used to enforce other parking laws and ordinances by said agencies."

Sec. 31. G.S. 20-37.6A reads as rewritten:

"§ *20-37.6A.* ~~*Vehicles designated*~~ *Parking privileges for out-of-state* ~~*handicapped; parking privileges.*~~ *handicapped drivers and passengers.*

Any vehicle displaying an out-of-State handicapped license plate, ~~placard~~ placard, or other evidence of handicap ~~or visual impairment~~ issued by the appropriate authority of the appropriate jurisdiction may park in any space reserved for the handicapped pursuant to G.S. 20-37.6."

Sec. 32. G.S. 20-63(b) reads as rewritten:

"(b) Every license plate shall have displayed upon it the registration number assigned to the vehicle for which it is issued, ~~also~~ the name of the State of North Carolina, which may be abbreviated, the year number for which it is issued or the date of expiration, and, if the plate is issued for a commercial vehicle, as defined in G.S. 20-4.2(1), the word 'commercial,' designating 'commercial vehicle.' ~~Provided that plates~~ The Division may not issue a plate bearing the word

'commercial' ~~shall not be issued~~ for ~~trailers, for vehicles~~ a trailer, a vehicle licensed for less than 5,000 pounds, ~~and for property carrying vehicles~~ a property-hauling vehicle, or ~~for any~~ a commercial vehicle bearing a personalized ~~plate issued pursuant to G.S. 20-81.3. Subject to the provisions hereof, every~~ plate.

A registration plate issued by the Division for a private passenger vehicle ~~and all~~ or for a private hauler ~~vehicles~~ vehicle licensed for 4,000 pounds ~~gross weight registration plate manufactured for use after January 1, 1982,~~ shall be a 'First in Flight' plate. A 'First in Flight' plate shall have the words 'First in Flight' printed at the top of the plate above all other letters and numerals. The background of the plate shall depict the Wright Brothers biplane flying over Kitty Hawk Beach, with the plane flying slightly upward and to the right. ~~The Department shall deplete the license plates in stock, on order, or for which a contract has been signed at the time of the ratification of this bill. Until all of the license plates previously referred to have been depleted, all plates issued to replace faded, worn-out or damaged plates shall be regular plates. Any person desiring to trade in a regular plate and thereby secure a First in Flight plate may do so by paying the fee provided in G.S. 20-85(5). As soon as feasible, but not later than July 1, 1983, all newly issued plates shall be issued as First in Flight plates; and as soon as feasible, all special issue, official and personalized plates shall be issued as First in Flight plates. Beginning July 1, 1983, the Department shall, as the same comes up for replacement, begin systematically replacing all regular license plates with First in Flight license plates beginning with the oldest series of existing plates and continuing thereafter on a staggered basis.~~"

Sec. 33. G.S. 20-81.12(d) reads as rewritten:

"(d) Ten dollars ($10.00) of the additional fee imposed by subsection (b) of this section shall be credited to the ~~Personalized~~ Special Registration Plate Fund established under G.S. ~~20-81.3 [20-79.7]~~, 20-79.7. The remaining revenue derived from the additional fee imposed by subsection (b) of this section shall be credited to the Collegiate Plate Fund, a separate fund established in the State Treasurer's office. The revenue in the Collegiate Plate Fund shall be transferred quarterly to the Board of Governors of The University of North Carolina for public colleges and universities and to the respective board of trustees for private colleges and universities in proportion to the number of collegiate plates sold representing that institution for use for academic enhancement."

Sec. 34. G.S. 20-127(h) reads as rewritten:

"(h) Subsections (d) through (g) of this section shall apply only to darkened, ~~smoked~~ smoked, or tinted film installed on motor vehicle windows after factory delivery and after ~~the effective date of this act~~

July 1, 1988, and shall not apply to vehicles that are registered in another ~~state and~~ state, are not required to be registered in this State, and were in compliance with the standards required in ~~that state at [the] time,~~ the state of registration at the time of registration."

Sec. 35. G.S. 65-64(c) is repealed.

Sec. 36. G.S. 75-81(3) reads as rewritten:

"(3) 'Motor Fuel' shall mean a refined or blended petroleum product used for the propulsion of self-propelled motor vehicles; the term includes 'motor fuel' ~~shall also include the same meaning~~ as defined ~~by G.S. 105-430(1)~~ in G.S. 105-430 and ~~fuel~~ 'fuel' as defined ~~by G.S. 105-449.2(3),~~ in G.S. 105-449.2."

Sec. 37. G.S. 120-123(27) reads as rewritten:

"(27) The Property Tax Commission, as established by G.S. ~~143B-223,~~ 105-288."

Sec. 38. G.S. 130A-62 reads as rewritten:

"*§ 130A-62. Annual budget; tax levy.*

(a) A sanitary district shall operate under an annual balanced budget adopted in accordance with the Local Government Budget and Fiscal Control Act.

(b) A sanitary district has the option of either collecting its own taxes or having its taxes collected by the county or counties in which it is located. Unless a district takes affirmative action to collect its own taxes, taxes shall be collected by the county.

(c) For sanitary districts whose taxes are collected by the county, before May 1 of each year, the assessor of each county in which the district is located shall certify to the district board the total assessed value of property in the county subject to taxation by the ~~district, and the county's assessment ratio.~~ district. By July 1 or upon adoption of its annual budget ordinance, the district board shall certify to the county board of commissioners the rate of ad valorem tax levied by the district on property in that county. ~~If the assessment ratios are not identical in all counties, the district budget ordinance shall levy separate rates of **ad valorem** taxes for each county. These rates shall be adjusted so that the effective rate is the same for all property located in the district. The "effective rate" is the rate of tax which will produce the same tax liability on property of equal appraised value.~~ Upon receiving the district's certification of its tax levy, the county commissioners shall compute the district tax for each taxpayer and shall separately state the district tax on the county tax receipts for the fiscal year. The county shall collect the district tax in the same manner that county taxes are collected and shall remit these collections to the district at least monthly. Partial payments shall be proportionately divided between the county and the district. The

district budget ordinance may include an appropriation to the county for the cost to the county of computing, ~~billing~~ billing, and collecting the district tax. The amount of the appropriation shall be agreed upon by the county and the district, but may not exceed five percent (5%) of the district levy. Any agreement shall remain effective until modified by mutual agreement. The amount due the county for collecting the district tax may be deducted by the county from its monthly remittances to the district or may be paid to the county by the district.

(d) Sanitary districts electing to collect their own taxes shall be deemed cities for the purposes of the Machinery ~~Act.~~ Act, Subchapter II of Chapter 105 of the General Statutes. ~~If a district is located in more than one county, the district board may adopt the assessments placed upon property located in the district by the counties in which the district is located if, in the opinion of the board, the same appraisal and assessment standards will apply uniformly throughout the district. If the board determines that adoption of the assessments fixed by the counties will not result in uniform appraisals and assessments throughout the district, the board may, by horizontal adjustments, equalize the appraisal values fixed by the counties and in accordance with the procedure prescribed in the Machinery Act, select and adopt an assessment ratio to be applied to the appraised values of property subject to district taxation as equalized by the board. Taxes levied by the district shall be levied uniformly on the assessments.~~"

Sec. 39. G.S. 143B-472.3, Articles 11 and 12, read as rewritten:

"Article 11. Assessments shall be made as provided in ~~G.S. 143-472.18 [G.S. 143B-472.18],~~ G.S. 143B-472.18. Whenever possible, assessments will be made at definitely stated intervals so as to reduce the cost of collection and to prevent lapse.

"Article 12. In the event the proceeds of the annual assessments imposed on the entire membership for one year, as provided in ~~G.S. 143-472.18 [G.S. 143B-472.18],~~ G.S. 143B-472.18, do not prove sufficient at any time to yield the benefit provided for in these bylaws, then the secretary-treasurer shall notify the North Carolina Burial Association Administrator who shall be authorized, unless the membership is increased to that point where such assessments are sufficient, to cause liquidation of said association, and may transfer all members in good standing to a like organization or association."

Sec. 40. G.S. 159-30(b) reads as rewritten:

"(b) Moneys may be deposited at interest in any bank, savings and loan association, or trust company in this State in the form of certificates of deposit or such other forms of time deposit as the Commission may approve. Investment deposits, including investment deposits of ~~the~~ a mutual fund for local government investment ~~created~~

~~by G.S. 159-30(c)(6a),~~ established under subdivision (c)(8) of this section, shall be secured as provided in G.S. 159-31(b)."

Sec. 41. G.S. 159-55(a)(5) reads as rewritten:

"(5) The percentage that the net debt bears to the ~~appraised~~ assessed value of property subject to taxation by the issuing unit."

Sec. 42. G.S. 159G-8(a) reads as rewritten:

"(a) Application. -- All applications for revolving loans and grants for water supply systems shall be filed with the Division of Environmental Health and all applications for revolving loans and grants for wastewater treatment works or wastewater collection systems shall be filed with the Environmental Management Commission. Any application may be filed in as many categories as it is eligible for consideration under this Chapter. Applications for revolving construction loans or grants for wastewater treatment works and wastewater collection systems, except applications for emergency wastewater loans, shall first be submitted for a loan or grant from the Water Pollution Control Revolving Fund established by G.S. 159G-5(c). If the application is denied, the application shall then be considered for a revolving loan or a grant from the General Wastewater Revolving Loan and Grant account established under G.S. ~~159-6(b)(1) [159G-6(b)(1)],~~ 159G-6(b)(1).

The Department of Environment, Health, and Natural Resources, the Commission for Health Services, and the Environmental Management Commission may develop jointly and adopt a standard form of application under this Chapter. Any application for construction grants under the Federal Water Pollution Control Act may be considered as an application for revolving construction loans or grants under G.S. 159G-5(c) and G.S. 159G-6(b)(1). The information required to be set forth in the application shall be sufficient to permit the respective agencies to determine the eligibility of the applicant and to establish the priority of the application, as set forth in this Chapter.

Any applicant shall furnish information in addition or supplemental to the information contained in its application upon request by the receiving agency."

Sec. 43. G.S. 159-123(c) reads as rewritten:

"(c) When the issuing unit wishes to have a private sale of bonds, the governing board of the issuing unit shall adopt and file with the Commission a resolution requesting that the bonds be sold at private sale without advertisement to any purchaser or purchasers thereof, at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit or one or more persons designated by resolution of the

governing board of the issuing unit to approve such prices. Upon receipt of a resolution requesting a private sale of bonds, the Commission may offer them to any purchaser or purchasers without advertisement, and may sell them at any price the Commission deems in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit or the person or persons designated by resolution of the governing board of the issuing unit to approve such prices. For purposes of this subsection, any resolution of the governing board of the issuing unit which designates a person or persons to approve any price or prices shall also establish a minimum purchase price and a maximum interest rate or maximum interest cost and such other provisions relating to approval as it may determine. Notwithstanding any provisions of this Chapter ~~159~~ to the contrary, ~~the~~ general obligation bonds issued pursuant to Article 4 of this Chapter may be sold at private sale at not less than ninety-eight percent (98%) of the face value of the bonds plus one hundred percent (100%) of accrued interest."

Sec. 44. G.S. 105-164.13(12) reads as rewritten:

"(12) Therapeutic, prosthetic, or artificial devices, such as pulmonary respirators or medical beds, that are designed for individual personal use to correct or alleviate physical illness, disease, or incapacity and that are sold on the written prescription of a physician, dentist, or other professional person licensed to prescribe, and crutches, artificial limbs, artificial eyes, hearing aids, false teeth, eyeglasses ground on prescription of a physician or an optometrist, and orthopedic appliances designed to be worn by the purchaser or user. ~~This subdivision does not apply to a motor vehicle.~~"

Sec. 45. G.S. 153A-277(a1) reads as rewritten:

"(a1) Before it establishes or revises a schedule of rates, fees, charges, or penalties for structural and natural stormwater and drainage systems under this section, the board of commissioners shall hold a public hearing on the matter. A notice of the hearing shall be given at least once in a newspaper having general circulation in the area, not less than seven days before the public hearing. The hearing may be held concurrently with the public hearing on the proposed budget ordinance.

~~Fees~~ The fees established ~~as provided in this subsection shall~~ under this subsection must be made applicable throughout the area of the county outside municipalities. Schedules of rates, fees, charges, and penalties for providing structural and natural stormwater and drainage system service may vary according to whether the property served is residential, commercial, or industrial property, the property's use, the size of the property, the area of impervious surfaces on the property, the quantity and quality of the runoff from the property, the

characteristics of the watershed into which stormwater from the property drains, and other factors that affect the stormwater drainage system. Rates, fees, and charges imposed under this ~~section~~ subsection may not exceed the county's cost of providing a stormwater and drainage system.

No stormwater utility fee may be levied under this subsection whenever two or more units of local government operate separate structural and natural stormwater and drainage system services in the same area within a county. However, two or more units of local government may allocate among themselves the functions, duties, powers, and responsibilities for jointly operating a single structural and natural stormwater and drainage system service in the same area within a county, provided that only one unit may levy a fee ~~pursuant to this act~~ for the service within the joint service area. For purposes of this subsection, a unit of local government shall include a regional authority providing structural and natural stormwater and drainage system services."

Sec. 46. G.S. 160A-314(a1) reads as rewritten:

"(a1) Before it establishes or revises a schedule of rates, fees, charges, or penalties for structural and natural stormwater and drainage systems under this section, the city council shall hold a public hearing on the matter. A notice of the hearing shall be given at least once in a newspaper having general circulation in the area, not less than seven days before the public hearing. The hearing may be held concurrently with the public hearing on the proposed budget ordinance.

~~Fees~~ The fees established ~~as provided in this subsection shall~~ under this subsection must be made applicable throughout the area of the city. Schedules of rates, fees, charges, and penalties for providing structural and natural stormwater and drainage system service may vary according to whether the property served is residential, commercial, or industrial property, the property's use, the size of the property, the area of impervious surfaces on the property, the quantity and quality of the runoff from the property, the characteristics of the watershed into which stormwater from the property drains, and other factors that affect the stormwater drainage system. Rates, fees, and charges imposed under this ~~section~~ subsection may not exceed the city's cost of providing a stormwater and drainage system.

No stormwater utility fee may be levied under this subsection whenever two or more units of local government operate separate structural and natural stormwater and drainage system services in the same area within a county. However, two or more units of local government may allocate among themselves the functions, duties, powers, and responsibilities for jointly operating a single structural

and natural stormwater and drainage system service in the same area within a county, provided that only one unit may levy a fee ~~pursuant to this act~~ for the service within the joint service area. For purposes of this subsection, a unit of local government shall include a regional authority providing structural and natural stormwater and drainage system services."

Sec. 47. G.S. 162A-9(a) reads as rewritten:

"(a) ~~Each~~ An authority ~~shall fix, and may revise from time to time, reasonable~~ may establish and revise a schedule of rates, ~~fees~~ fees, and other charges for the use of and for the services furnished or to be furnished by any water system or sewer system or parts thereof owned or operated by ~~such~~ the authority. ~~Such~~ The rates, ~~fees~~ fees, and charges ~~shall~~ established under this subsection are not ~~be~~ subject to supervision or regulation by any bureau, board, ~~commission~~ commission, or other agency of the State or of any political subdivision.

Before an authority sets or revises rates, fees, or other charges for structural or natural stormwater and drainage system service, the authority shall hold a public hearing on the matter. At least seven days before the hearing, the authority shall publish notice of the public hearing in a newspaper having general circulation in the area. An authority may impose rates, fees, or other charges for stormwater and drainage system service on a person even though the person has not entered into a contract to receive the service.

Rates, fees, and charges shall be fixed and revised so that the revenues of the authority, together with any other available funds, will be sufficient at all times:

(1) To pay the cost of maintaining, ~~repairing~~ repairing, and operating the systems or parts thereof owned or operated by the authority, including reserves for such purposes, and including provision for the payment of principal of and interest on indebtedness of a political subdivision or of political subdivisions which payment shall have been assumed by the authority, and

(2) To pay the principal of and the interest on all bonds issued by the authority under the provisions of this Article as the same shall become due and payable and to provide reserves therefor.

~~Fees~~ The fees established ~~as provided in this subsection shall~~ under this subsection must be made applicable throughout the service area. Schedules of rates, fees, charges, and penalties for providing structural and natural stormwater and drainage system service may vary according to whether the property served is residential, commercial, or industrial property, the property's use, the size of the

property, the area of impervious surfaces on the property, the quantity and quality of the runoff from the property, the characteristics of the watershed into which stormwater from the property drains, and other factors that affect the stormwater drainage system. Rates, fees, and charges imposed under this ~~section~~ subsection for stormwater and drainage system service may not exceed the authority's cost of providing a stormwater and drainage system.

No stormwater utility fee may be levied under this subsection whenever two or more units of local government operate separate structural and natural stormwater and drainage system services in the same area within a county. However, two or more units of local government may allocate among themselves the functions, duties, powers, and responsibilities for jointly operating a single structural and natural stormwater and drainage system service in the same area within a county, provided that only one unit may levy a fee ~~pursuant to this act~~ for the service within the joint service area. For purposes of this subsection, a unit of local government shall include a regional authority providing structural and natural stormwater and drainage system services."

Sec. 48. This act is effective upon ratification. Section 2 of this act applies retroactively to June 21, 1990. Section 3 of this act applies retroactively to taxable years beginning on or after January 1, 1989.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

H.B. 1395 **CHAPTER 1008**

AN ACT TO ESTABLISH AN INTER-AGENCY TASK FORCE TO STUDY THE REORGANIZATION OF STATE AGENCIES INVOLVED WITH OCCUPATIONAL SAFETY AND HEALTH AND FIRE SAFETY RESPONSIBILITIES AND TO FILE A REPORT WITH THE GENERAL ASSEMBLY.

The General Assembly of North Carolina enacts:

Section 1. There is established the Inter-agency Task Force on State Agency Oversight of Workplace Safety and Health. The Task Force shall study the regulatory responsibilities of State and local governmental agencies involved with workplace safety and health and fire safety. The members shall include a representative of each of the following:

(1) The Commissioner of Labor, who shall also chair the Task Force.

(2) The Commissioner of Insurance or a designee.

(3) The Secretary of the Department of Environment, Health, and Natural Resources or a designee.
(4) The Chairman of the Industrial Commission or a designee.
(5) The Chairman of the Public Utilities Commission or a designee.
(6) The Secretary of the Department of Transportation or a designee.
(7) The Chairman of the State Personnel Commission or a designee.
(8) A community college representative appointed by the President of the North Carolina System of Community Colleges.
(9) Two local officials, one selected by the North Carolina League of Municipalities and the other selected by the North Carolina Association of County Commissioners.
(10) One employee selected by the Speaker of the House of Representatives from a list of recommendations submitted by the AFL-CIO and one business owner selected by the President Pro Tempore of the Senate from a list of recommendations submitted by the North Carolina Citizens for Business and Industry.

The Task Force shall submit an interim written report to the LRC Study Committee on Fire and Occupational Safety at Industrial and Commercial Facilities no later than October 1, 1992, and a final report to the members of the General Assembly by March 1, 1993. The report shall recommend a proposed reorganization of the occupational health and safety and fire safety network within State and local government to better address the needs of employers and employees in this State. Except for cause, the same designee shall serve from the inception of the Task Force until the issuance of the final report.

The proposed reorganization should accomplish the following goals:

(1) Be as consolidated and coordinated as possible with clear areas of responsibility and clear lines of authority;
(2) Be devoid of duplication;
(3) Be devoid of political or special interest influence;
(4) Be able to respond quickly, efficiently, and effectively to reports of unsafe conditions and to emergencies;
(5) Clarify the role of local government in fire and safety protection in the workplaces in their jurisdictions;
(6) Fully utilize the community colleges in training inspectors and offering programs for safety committees and businesses that seek to improve worker safety;

(7) Consider contracting with local fire agencies for inspections before adding more people to the State payroll;

(8) Develop an educational component that will include the creation and distribution of educational materials regarding workplace safety laws and duties of employers and rights of workers, including brochures, fliers, posters, public service spots for radio and television, newspaper and magazine articles; and

(9) Include proposals for establishing supplementary inspection programs in addition to those authorized under the Occupational Safety and Health Act.

The Department of Labor shall provide clerical and professional assistance to the Task Force. Members of the Task Force shall serve without compensation or reimbursement.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

S.B. 31 **CHAPTER 1009**

AN ACT TO AMEND CHAPTER 66 OF THE GENERAL STATUTES REGULATING PREPAID ENTERTAINMENT CONTRACTS AND TO ENACT THE MEMBERSHIP CAMPING ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 66-118 reads as rewritten:

"*§ 66-118. Definitions.*

~~For purposes of this Article, a "prepaid entertainment contract" is any contract in which:~~

~~(1) The buyer of a service pays for or is obligated to pay for service prior to the buyer's receipt of or enjoyment of any or all of the service; and~~

~~(2) The seller is other than a licensed nonprofit school, college, or university; the State or any subdivision thereof; or a nonprofit religious, ethnic, or community organization; and~~

~~(3) The services to be performed are related to any one of the following:~~

~~a. Dance lessons or facilities, or any related services or events;~~

~~b. Matching, dating, or social club services or facilities, including any service represented as providing names of, introductions to, or opportunity to meet members of the opposite sex;~~

~~c. Martial arts training;~~

~~d. Health or athletic club services or facilities.~~

As used in this Article, unless the context clearly requires otherwise:

(1) 'Contract cost' means the total consideration paid by a buyer pursuant to a contract including but not limited to:

a. Any initiation or nonrecurring fee charged;

b. All periodic fees required by the contract;

c. All dues or maintenance fees; and

d. All finance charges, time-price differentials, interest, and other similar fees and charges.

(2) 'Contract duration' means the total period of use allowed by a buyer's contract, including months or time periods that are called 'free' or 'bonus' or that are described in any other terms suggesting that they are provided free of charge.

(3) 'Prepaid entertainment contract' means any contract in which:

a. The buyer of a service pays for or is obligated to pay for service prior to the buyer's receipt of or enjoyment of any or all of the services;

b. The seller is other than a licensed nonprofit school, college, or university; the State or any subdivision thereof; or a nonprofit religious, ethnic, or community organization; and

c. The services to be performed are related to any one of the following:

1. Dance lessons or facilities, or any related services or events;

2. Matching, dating, or social club services or facilities, including any service represented as providing names of, introduction to, or opportunity to meet members of the opposite sex;

3. Martial arts training;

4. Health or athletic club services or facilities."

Sec. 2. G.S. 66-124 reads as rewritten:

"§ *66-124. ~~Services not available until future date.~~ Bond or escrow account required.*

~~If, for any reason, services under a prepaid entertainment contract are not available to the buyer on the date of sale, then:~~

~~(1) The seller must establish a surety bond issued by a surety company authorized to do business in this State, or establish a trust account with a licensed and insured bank or savings institution located in this State. The amount of the bond or trust account shall equal all consideration received from the~~

~~buyer. The bond or trust account must remain in force until 60 days after all services of the seller are available to the buyer. The bond or trust account shall be in favor of the State of North Carolina. Any person who is damaged by any violation of this Article, or by the seller's breach of the contract for sale or any obligation arising therefrom may bring an action against the bond or trust account to recover damages suffered; provided, however, that the aggregate liability of the surety or trustee shall be only for actual damages and in no event shall exceed the amount of the bond or trust account.~~

~~(2) The buyer's right to cancel the contract pursuant to G.S. 66- 121 shall be extended until midnight of the third business day after the date upon which the services become available and the buyer is so notified. However, the buyer may waive the extension of his right to cancel by initialing a written contract provision to that effect, if in consideration for such waiver he has been allowed to buy the seller's services at a price at least twenty-five percent (25%) below the lowest price the seller will charge for similar services when the facility is available.~~

(a) Prior to the sale of any prepaid entertainment contract for services which are available on the day of sale, the seller shall purchase a surety bond issued by a surety company authorized to do business in this State, as follows:

(1) The amount of the surety bond shall be equal to the aggregate value of outstanding liabilities to buyers, or ten thousand dollars ($10,000), whichever is greater. For purposes of this section, 'liabilities' means the monies actually received in advance from the buyer on or after January 1, 1993, for contract costs, less the prorated value of services rendered by the seller. The bond shall be in favor of the State of North Carolina and in a form approved by the Attorney General. The surety company shall have a duty to disclose the amount and status of the bond to the public upon request. Any person who is damaged by reason of the closing of a facility or bankruptcy of the seller, may bring an action against the bond to recover damages suffered; provided, however, that the aggregate liability of the surety shall be only for actual damages and in no event shall exceed the amount of the bond.

(2) The amount of the bond shall be based upon a written sworn statement by the seller under penalty of perjury stating the seller's outstanding liabilities to buyers. A corporate seller's

statement shall be signed by the president of the corporation; the statement of a partnership shall be signed by a general partner; and the statement of a sole proprietorship shall be signed by the sole proprietor. The statement and a copy of the bond shall be filed with the Attorney General within 90 days after the first contract is sold and at 180-day intervals thereafter.

(3) The amount of the bond shall be increased or may be decreased, as necessary, to take into account changes in the seller's outstanding liabilities to buyers on a semiannual basis.

(4) The bonding requirement of this section applies to each location of the seller in any case where a seller operates or plans to operate more than one facility in the State. A separate bond for each separately located facility shall be filed with the Attorney General.

(5) Notwithstanding any other provision of this section, no seller is required to purchase a bond in excess of two hundred fifty thousand dollars ($250,000) per facility.

(6) A change in ownership shall not release, cancel, or terminate liability under any bond previously established unless the Attorney General agrees in writing to the release, cancellation, or termination because the new owner has established a new bond for the benefit of the previous owner's members, or because the former owner has paid the required funds to its members.

(7) In lieu of purchasing the bond required by subdivision (1), an irrevocable letter of credit from a bank insured by the Federal Deposit Insurance Corporation, in a form acceptable to the Attorney General, may be filed with the Attorney General.

(8) Claims and actions by a buyer of prepaid entertainment contract services:

a. A buyer of prepaid entertainment contract services who suffers or sustains any loss or damage by reason of the closing of a facility or bankruptcy of the seller shall file a claim with the surety, and, if the claim is not paid, may bring an action based on the bond and recover against the surety. In the case of a letter of credit that has been filed with the Attorney General, the buyer may file a claim with the Attorney General;

b. Any claim under paragraph a. of this subdivision shall be filed no later than one year from the date on which the facility closed or bankruptcy was filed;

c. The Attorney General may file a claim with the surety on behalf of any buyer in paragraph a. of this subdivision. The surety shall pay the amount of the claims to the Attorney General for distribution to claimants entitled to restitution and shall be relieved of liability to that extent;

d. The liability of the surety under any bond may not exceed the aggregate amount of the bond, regardless of the number or amount of claims filed;

e. If the claims filed should exceed the amount of the bond, the surety shall pay the amount of the bond to the Attorney General for distribution to claimants entitled to restitution and shall be relieved of all liability under the bond.

(9) The seller shall be exempt from the bonding requirement if all of its unexpired contracts and present membership plans meet the following criteria: (i) no initiation fee or similar nonrecurring fee is charged, and (ii) at no time is any member charged to pay for the use of facilities or services more than 31 days in advance.

(b) If, for any reason, services under a prepaid entertainment contract are not available to the buyer on the date of sale, then:

(1) The seller shall establish a surety bond issued by a surety company authorized to do business in the State or shall establish an escrow account with a licensed and insured bank or savings institution located in this State. The surety bond or escrow account shall be in the amount of ten thousand dollars ($10,000) per location or in an amount equal to all contract costs received from the buyer, whichever is greater. The bond or escrow account shall be in favor of the State of North Carolina and a copy of the bond or escrow agreement shall be filed with the Attorney General prior to the sale of any prepaid entertainment contracts. The bond or escrow account shall remain in force until 60 days after all services of the seller are available to the buyer, at which time the seller shall comply with the bonding requirement of subsection (a) of this section. The escrow account shall be established and maintained only in a financial institution which agrees in writing with the Attorney General to hold all funds deposited and not to release such funds until receipt of written authorization from the Attorney General. The funds deposited will be eligible for withdrawal by the depositor after the facility has been open and providing services for 60 days and the Attorney General gives written authorization for

withdrawal. Any person who is damaged by any violation of this Article, or by the seller's breach of the contract for sale or any obligation arising therefrom may bring an action against the bond or escrow account to recover damages suffered; provided, however, that the aggregate liability of the surety or escrow agent shall be for actual damages only and in no event shall exceed the amount of the bond or escrow account.

(2) The buyer's right to cancel the contract pursuant to G.S. 66-121 shall be extended until midnight of the third business day after the date upon which the services become available and the buyer is notified that the services are available."

Sec. 3. Article 21 of Chapter 66 of the General Statutes is amended by adding the following new section to read:

"*§ 66-124.1. Record keeping; provision of records to the Attorney General.*

(a) Any person or business bonded under this Article shall maintain accurate records of the bond and of premium payments on it. These records shall be open to inspection by the Attorney General at any time during normal business hours.

(b) Any person who sells prepaid entertainment contracts shall maintain accurate records, updated as necessary, of the name, address, contract terms, and payments of each buyer of services. These records shall be open to inspection by the Attorney General, upon reasonable notice not to exceed 72 hours, at any time during normal business hours.

(c) On the permanent closing of a facility, the seller of the services shall provide the following information to the Attorney General within 15 business days:

(1) A list of the names and addresses of all buyers holding unexpired contracts;

(2) The original or a copy of all buyers' contracts; and

(3) A record of all payments received under buyers' agreements."

Sec. 4. Chapter 66 is amended by adding the following new Article 30:

"ARTICLE 30.

"*§ 66-220. Title.*

This Article shall be known and may be cited as the 'Membership Camping Act'.

"*§ 66-221. Applicability.*

This Article shall apply to each membership camping contract executed at least in part in this State after January 1, 1993, regardless

of the location of the membership camping operator's principal office or his campground or recreational facilities.

"§ 66-222. *Definitions.*

For purposes of this Article the following definitions apply:

(1) 'Agreement' means a membership camping agreement.

(2) 'Blanket encumbrance' means any mortgage, deed of trust, option to purchase, vendor's lien or interest under a contract or agreement of sale, judgment lien, federal or State tax lien, or other material lien or encumbrance which secures or evidences the obligation to pay money or to sell or convey all or part of a campground located in this State, made available to purchasers by the membership camping operator and which authorizes, permits, or requires the foreclosure or other disposition of the campground. Blanket encumbrance shall include the lessor's interest in a lease of all or part of a campground which is located in this State and which is made available to purchasers by a membership camping operator. Blanket encumbrance shall not include a lien for taxes or assessments levied by a public body which are not yet due and payable.

(3) 'Business day' means any day except Sunday or a legal holiday.

(4) 'Camping site' means a space designed and promoted for the purpose of locating a trailer, tent, tent trailer, recreational vehicle, pickup camper, van or other similar device used for camping.

(5) 'Campground' means any single tract or parcel of real property within the State on which there are at least 10 camping sites.

(6) 'Contract' means a membership camping contract.

(7) 'Contract cost' means the total consideration paid by a purchaser pursuant to a contract including but not limited to:

a. Any initiation or nonrecurring fee charged;

b. All periodic fees required by the contract;

c. All dues or maintenance fees; and

d. All finance charges, time-price differentials, interest, and other similar fees and charges.

(8) 'Facility' means an amenity within a campground set aside or otherwise made available to purchasers for their use and enjoyment of the campground, and may include campsites, swimming pools, tennis courts, recreational buildings, boat docks, restrooms, showers, laundry rooms, and trading posts or grocery stores.

(9) 'Membership camping contract' or 'membership camping agreement' means any written agreement of more than one year's duration, executed in whole or in part within this State, which grants to a purchaser a right or license to use the campground of a membership camping operator or any portion thereof. Any agreement which constitutes a 'time share instrument' as defined in G.S. 93A-41 is excluded from this definition.

(10) 'Membership camping operator' means any person who owns or operates a campground and offers or sells membership camping contracts. A membership camping operator shall not include:

a. An enterprise that is exempt from federal income tax under § 501(c) of the Internal Revenue Code;

b. An enterprise that is exempt from State income tax under Article 4 of Chapter 105 of the General Statutes; or

c. Mobile home parks wherein the residents occupy the premises as their primary homes or have leased or purchased a lot for their exclusive use.

(11) 'Offer,' 'offer to sell,' 'offer to execute' or 'offering' means any offer, solicitation, advertisement, or inducement to execute a membership camping agreement.

(12) 'Person' means any individual, corporation, partnership, company, unincorporated association, or any other legal entity other than a government or agency or a subdivision thereof.

(13) 'Purchaser' means a person who enters into a membership camping contract with the membership camping operator.

(14) 'Purchase money' means any money, currency, note, security, or other consideration paid by the purchaser for a membership camping agreement.

(15) 'Reciprocal program' means any arrangement under which a purchaser is permitted to use camping sites or facilities at one or more campgrounds not owned or operated by the membership camping operator with whom the purchaser has entered into a membership camping contract.

(16) 'Salesperson' means an individual, other than a membership camping operator, who offers to sell a membership camping contract by means of a direct sales presentation, but does not include a person who merely refers a prospective purchaser to a salesperson without making any direct sales presentation.

"§ 66-223. Administration; unlawful offer or execution of membership camping contract.

(a) This Article shall be administered by the Secretary of State of North Carolina or his designee, and shall be enforced by the Attorney General of North Carolina or his designee.

(b) It shall be unlawful for any membership camping operator to offer to sell any membership camping contract in this State unless he is registered with the Secretary of State.

"§ 66-224. Registration of membership camping operator.

(a) The application for registration shall be on a form prescribed by the Secretary of State and shall include the following:

(1) The applicant's name, address, and the organizational form of the business, including the date, and jurisdiction under which the business was organized; the address of each of its offices in this State; and the name and address of each campground located in this State, which is owned or operated, in whole or in part, by the applicant;

(2) The name, address, and principal occupation for the past five years of every officer of the applicant, including its principal managers, and the extent and nature of the interest of each person at the time the application is filed;

(3) A list of all owners of ten percent (10%) or more of the capital stock of the applicant, except that this list is not required if the applicant is a company required to report under the Securities and Exchange Act of 1934;

(4) A brief description of and a certified copy of the instrument which creates the applicant's ownership of, or other right to use the campground and the facilities at the campground which are to be available for use by purchasers, and a brief description of any material encumbrance, together with a copy of any lease, license, franchise, reciprocal agreement or other agreement entitling the applicant to use such campground and facilities, and any material provision of the agreement which restricts a purchaser's use of such campground or facilities;

(5) A sample copy of each instrument which will be delivered to a purchaser to evidence his membership in the campground and a sample copy of each agreement which a purchaser will be required to execute;

(6) A list of special taxes or assessments, whether current or proposed, which affect the campground;

(7) A copy of the disclosure statement required by this Article;

(8) A narrative description of the promotional plan for the sale of the membership camping contracts;

(9) A statement of the relationship, if any, between the applicant and other parties owning, controlling or managing the campground and the expected duration of that relationship. If the relationship is a contractual one, a statement of the methods and conditions under which the relationship can be terminated prior to the expected termination of the relationship;

(10) A complete list of locations and addresses of any and all sales offices located within the State;

(11) The names of any other states or foreign countries in which an application for registration of the membership camping operator or the membership camping contract or any similar document has been filed; and

(12) A brief description of the membership camping operator's experience in the membership camping business, including the length of time such operator has been in the membership camping business; and a statement detailing whether the applicant within the past five years has been convicted of any misdemeanor or felony involving theft, fraud, dishonesty, or moral turpitude, or whether the applicant has been enjoined from, had any civil penalty assessed for, or been found to have engaged in any violation of any law designed to protect consumers. If the applicant is a corporation, this statement shall be provided for each officer of the corporation.

(b) The application shall be signed by the membership camping operator, an officer or general partner thereof or by another person holding a power of attorney for this purpose from the membership camping operator. If the application is signed pursuant to a power of attorney, a copy of the power of attorney shall be included with the application.

(c) The application shall be submitted along with the appropriate application fee.

(d) The registration of the membership camping operator shall be renewed annually with the fee required in G.S. 66-226 not later than 30 days prior to the anniversary of the current registration. The application shall include all changes which have occurred in the information included in the application previously filed.

(e) Registration with the Secretary of State shall not be deemed to be an approval or endorsement by the Secretary of State of the membership camping operator, his membership camping contract, or his campground, and any attempt by the membership camping operator to indicate that registration constitutes such approval or endorsement shall be unlawful.

"§ 66-225. *Time of effect of registration.*

Upon receipt of the original application for registration in proper form, the Secretary of State shall, within 10 business days, issue a notice to the applicant that the Secretary of State has received the registration. Within 30 days thereafter, the Secretary of State shall notify the operator that the registration has been accepted or rejected, and if rejected, a brief statement explaining the reason. Registration shall be effective upon notice of acceptance by the Secretary of State. Renewal of registration shall be effective upon the anniversary of the current registration or 30 days after receipt, whichever date occurs last, unless otherwise rejected.

"§ 66-226. *Registration fees.*

An applicant for registration under this Article must include the fee set out in the following table with the application for registration:

Application	Amount
Initial registration as a membership camping operator	$1,500
Renewal of registration as a membership camping operator	1,000
Initial registration as a salesperson	10
Renewal of registration as a salesperson	10

Fees collected under this section shall be applied to the cost of administering this Article.

"§ 66-227. *Registration of salespersons.*

(a) It shall be unlawful for any salesperson to offer to sell any membership camping contract in this State unless he is registered with the Secretary of State. The application of a salesperson for registration shall be on a form prescribed by the Secretary of State and shall include the following:

(1) A statement detailing whether the applicant within the past five years has been convicted of any misdemeanor or felony involving theft, fraud, dishonesty, or moral turpitude, or whether the applicant has been enjoined from, had any civil penalty assessed for, or been found to have engaged in any violation of any law designed to protect consumers, and

(2) A statement describing the applicant's employment history for the past five years and whether any termination of employment during the last five years was occasioned by any theft, fraud, or act of dishonesty.

(b) Registration shall be effective for a period of one year. Registration shall be renewed annually by the filing of a form prescribed by the Secretary of State for such purpose. The registration application or the renewal application shall automatically become effective upon the expiration of seven business days following the filing with the Secretary of State.

"§ 66-228. *Membership camping operator's disclosure statement.*

(a) Every membership camping operator, salesperson, or other person who is in the business of offering for sale or transfer the rights under existing membership camping contracts for a fee shall disclose the following information to a purchaser before the purchaser signs a contract or gives any money or thing of value for the purchase of a contract. The disclosures shall be delivered to the purchaser prior to the time the contract is signed and must be presented in a clear, legible format prescribed by the Secretary of State.

(b) The disclosures shall consist of the following:

(1) A cover page containing only the following in the order stated:

a. The words 'MEMBERSHIP CAMPING OPERATOR'S DISCLOSURE STATEMENT': printed in boldface type of a minimum size of 10 points, followed by;

b. The name and principal business address of the membership camping operator, followed by;

c. A statement that the membership camping operator is in the business of offering for sale membership camping contracts, followed by;

d. The following, printed in boldface type of a minimum size of 10 points: IMPORTANT! READ THIS DISCLOSURE STATEMENT BEFORE YOU SIGN ANYTHING. THE LAW REQUIRES THAT YOU GET A COPY OF THIS DISCLOSURE STATEMENT BEFORE YOU SIGN. IF YOUR SALESPERSON TELLS YOU ANYTHING DIFFERENT FROM WHAT IS WRITTEN, THEN DO NOT SIGN. DO NOT BUY THIS MEMBERSHIP ASSUMING THAT YOU WILL BE ABLE TO RESELL IT, followed by;

e. The following language, printed in boldface type of a minimum size of 10 points:
YOU HAVE A 3-DAY RIGHT TO CANCEL A CAMPING MEMBERSHIP CONTRACT. THIS RIGHT OF CANCELLATION CANNOT BE WAIVED. YOUR RIGHT TO CANCEL ENDS AT MIDNIGHT ON THE 3RD BUSINESS DAY FOLLOWING THE DATE ON WHICH THE CONTRACT WAS SIGNED. IF YOU HAVE ANY QUESTIONS ABOUT YOUR RIGHTS, CONTACT THE NORTH CAROLINA ATTORNEY GENERAL'S OFFICE.

(2) The following pages of the disclosure statement shall contain all of the following:

a. The name of the operator and the address of the operator's principal place of business in North Carolina,

or if the operator has no place of business in North Carolina, the operator's principal place of business;

b. A brief description of the nature of the purchaser's right or license to use the campground and the facilities which are to be available for use by purchasers;

c. A brief description of the membership camping operator's experience in the membership camping business, including the length of time such operator has been in the membership camping business;

d. The location of each of the campgrounds which is to be available for use by purchasers, excluding campgrounds which will be available to a purchaser only if he is a member in good standing of a reciprocal program; and a description of the facilities at each campground then available for use by purchasers and those which are represented to purchasers as being planned, together with a brief description of any facilities that are or will be available to nonpurchasers or nonmembers;

e. As to all memberships offered by the membership camping operator at each campground:
   1. The form of membership offered;
   2. The types of duration of membership along with a summary of the major privileges, restrictions, and limitations applicable to each type;
   3. Provisions, if any, that have been made for public utilities at each campsite including water, electricity, telephone, and sewage facilities; and
   4. The maximum number of current memberships to be sold per site at that campground.

f. Any initial, additional, or special fee due from the purchaser together with a description of the purpose and method of calculating the fee;

g. A general description of any financing offered or available through the membership camping operator;

h. Any schedule of fees or charges that purchasers are or may be required to pay for use of the campground or any facilities or reciprocal program;

i. The extent to which financial arrangements, if any, have been provided for the completion of facilities, together with a statement of the membership camping operator's obligation to complete planned facilities. The statement shall include a description of any restrictions or limitations on the membership camping operator's obligation to begin or to complete the facilities;

j. Any services which the membership camping operator currently provides or expenses he pays which are expected to become the responsibility of the purchasers, including the projected liability which each such service or expense may impose on each purchaser;

k. A summary or copy, whether by way of supplement or otherwise, of the rules, restrictions, or covenants regulating the purchaser's use of the campground and the facilities which are to be available for use by the purchasers, including a statement of whether and how the rules, restrictions, or covenants may be changed;

l. A description of any restraints on the transfer of the membership camping contract;

m. A statement of the policies covering the availability of campsites, the availability of reservations, and the conditions under which they are made;

n. A statement of any grounds for forfeiture of a purchaser's membership camping contract;

o. A statement describing the material terms and conditions of any reciprocal program to be available to the purchaser including a statement concerning whether the purchaser's participation in any reciprocal program is dependent upon the continued affiliation of the membership camping operator with that reciprocal program and whether the membership camping operator reserves the right to terminate such affiliation.

(3) The membership camping operator shall promptly amend his membership camping operator's disclosure statement to reflect any material change in the campground or its facilities. He shall also file within 30 days any such amendments with the Secretary of State. Each disclosure statement provided to a prospective purchaser must contain the most recent date when the statement was revised.

"§ *66-229. Contract terms.*

(a) The membership camping operator shall deliver to the purchaser a fully executed copy of a membership camping contract in writing, which contract shall include at least the following information:

(1) The name of the membership camping operator and the address of its principal place of business;

(2) The actual date the membership camping contract was executed by the purchaser;

(3) The total financial obligation imposed on the purchaser by the contract, including the initial purchase price and any additional charge the purchaser may be required to pay;

(4) A description of the nature and duration of the membership being purchased;

(5) A statement that the membership camping operator is required by law to provide each purchaser with a copy of the membership camping operator's disclosure statement prior to execution of the contract and that failure to do so is a violation of the law;

(6) The full name of each salesperson involved in the promotion and sale of the membership camping contract; and

(7) In immediate proximity to the space reserved in the contract for the signature of the purchaser and in boldface type of a minimum size of 10 points, a statement in substantially the following form: 'You the buyer, may cancel this contract at any time prior to midnight of the third business day after the date of this contract. See the attached notice of cancellation form for an explanation of this right.'

"§ *66-230. Cancellation.*

In addition to any other right to revoke an offer or cancel a sale or contract, the purchaser has the right to cancel a membership camping contract sale until midnight of the third business day after the purchaser signs the contract.

(1) The membership camping operator must furnish the purchaser, at the time the purchaser signs the membership camping contract or otherwise agrees to buy services from the membership camping operator, a completed form in duplicate, captioned 'NOTICE OF CANCELLATION' which shall contain in 10 point boldface type the following information and statements in the same language, e.g., Spanish, as that used in the contract:

'NOTICE OF CANCELLATION

(Enter date of transaction)

.....

(date)

You, the purchaser, may cancel this transaction, without any penalty or obligation, within three business days from the date above. Business days are all days other than Sundays and legal holidays. You must cancel in writing. If given by mail, notice of cancellation is given when it is deposited in the United States mail properly addressed and postage prepaid.

If you cancel, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 30 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to

.....

(Name of membership camping operator)

at.....

(Membership camping operator's mailing and physical address)

not later than midnight of

.....

(date)

I hereby cancel this transaction.

.....

(date)

.....

(Purchaser's signature)'

(2) The membership camping operator shall, before furnishing copies of the 'Notice of Cancellation' to the purchaser, complete both copies by entering the name of the membership camping operator, the address of the membership camping operator's place of business, the date of the transaction, and the date, not earlier than the third business day following the day of the transaction, by which the purchaser may give notice of cancellation.

(3) The membership camping operator shall orally inform each purchaser, at the time he signs a contract or purchases the services, of his three-day right to cancel; provided, that no oral notice is required in any case in which the membership camping operator does not solicit the purchaser's business in person and the purchaser signs the contract outside the presence of the membership camping operator and returns the signed contract to the membership camping operator by mail.

(4) Cancellation occurs when the purchaser gives written notice of cancellation to the membership camping operator at the address stated in the contract or in the notice of cancellation.

(5) Notice of cancellation, if given by mail, is given when it is deposited in the United States mail properly addressed and postage prepaid.

(6) Notice of cancellation by the purchaser is sufficient if it indicates by any form of written expression the intention of the purchaser not to be bound by the contract.

(7) Upon cancellation, the membership camping operator shall refund to the purchaser all payments made pursuant to the canceled membership camping contract and any notes or security instruments. The refund shall be made within 30 days and where payment has been made by credit card, may be made by an appropriate credit to the purchaser's account.

(8) Failure of the membership camping operator to honor a purchaser's cancellation is a violation of this Article.

"§ 66-231. *Escrow account.*

(a) All purchase money received from or on behalf of a purchaser in connection with the execution of a membership camping contract shall be deposited in an escrow account designated solely for that purpose, which may be the membership camping operator's own escrow or trust account or that of his attorney's, until 10 calendar days after the date the contract was executed, unless a later time is provided in the membership camping contract. If the membership camping operator has not received notice of the purchaser's cancellation within 10 calendar days after the execution of the contract, any purchase money may be released to the membership camping operator upon the conveyance, in writing, to the purchaser of the right or license to use the campground and facilities as required in the membership camping contract.

(b) A copy of the escrow agreement creating the escrow account shall be filed with the Secretary of State prior to the sale of membership camping contracts.

"§ 66-232. *Advertising, solicitations.*

A membership camping operator shall disclose in all advertising programs which seek to induce prospective purchasers to visit the campground that the program is conducted by a membership camping operator and the purpose of any requested visit.

"§ 66-233. *Provision of records to the Secretary of State.*

Any membership camping operator shall maintain accurate records of the escrow account. These records shall be open to inspection to the Secretary of State at any time during normal business hours.

"§ 66-234. *Limitation on duration of contract term.*

A membership camping contract shall clearly state the duration of the contract. A contract shall either have a duration of no more than 30 years or give the purchaser the right to cancel the contract at any

time after 30 years without further obligation and without a refund of any of the contract cost.

"*§ 66-235. Prohibited practices.*

It shall be unlawful for any membership camping operator or salesperson to state or imply in attempting to sell a membership or to persuade a member to make payment that the purchaser will be able to sell the contract and thereby eliminate his obligation or recoup all or a substantial part of his purchase price.

"*§ 66-236. Nondisturbance provisions.*

(a) With respect to any property in this State acquired and put into operation by a membership camping operator on or after January 1, 1993, the membership camping operator shall not offer or execute a membership camping contract in this State granting the right to use the property until the following requirements are met:

(1) Each person holding an interest in a voluntary blanket encumbrance has executed and delivered to the Secretary of State a nondisturbance agreement and recorded the agreement in the real estate records of the county in which the campground is located. The agreement shall include all of the following:

a. That the rights of the holder or holders of the blanket encumbrance in the affected campground are subordinate to the rights of purchasers;

b. That any person who acquires the affected campground or any portion of the campground by the exercise of any right of sale or foreclosure contained in the blanket encumbrance takes the campground subject to the rights of purchasers; and

c. That the holder or holders of the blanket encumbrance shall not use or cause the campground to be used in a manner which interferes with the right of purchasers to use the campground and its facilities in accordance with the terms and conditions of the membership camping contract; and

(2) Each hypothecation lender which has a lien on or security interest in the membership camping operator's ownership interest in the campground has executed and delivered to the Secretary of State a nondisturbance agreement and recorded the agreement in the real estate records of the county in which the campground is located. In addition, each person holding an interest in a blanket encumbrance superior to the interest held by the hypothecation lender has executed, delivered, and recorded an instrument stating that such person will give the hypothecation lender notice of, and at

least 30 days to cure, any default under the blanket encumbrance before the person commences any foreclosure action affecting the campground. For the purposes of this section:

a. Hypothecation lender shall mean a financial institution which provides a major hypothecation loan to a membership camping operator;

b. Major hypothecation loan shall mean a loan or line of credit secured by substantially all of the contracts receivable arising from the membership camping operator's sale of membership camping contracts; and

c. Nondisturbance agreement shall mean an instrument by which a hypothecation lender agrees to conditions substantially the same as those set forth in subdivision (1) of this subsection.

(b) In lieu of compliance with subsection (a) of this section, a surety bond or letter of credit satisfying the requirements of this subsection may be delivered and accepted by the Secretary of State. The surety bond or letter of credit shall be issued to the Secretary of State for the benefit of purchasers and shall be in an amount which is not less than one hundred five percent (105%) of the remaining principal balance of every indebtedness secured by a blanket encumbrance affecting the campground. The bond shall be issued by a surety which is authorized to do business in this State and which has sufficient net worth to satisfy the indebtedness. The aggregate liability of the surety for all damages shall not exceed the amount of the bond. The letter of credit shall be irrevocable, shall be drawn upon an insured bank, savings and loan association, or other financial institution, and shall be in a form and content acceptable to the Secretary of State. The bond or letter of credit shall provide for payment of all amounts secured by the blanket encumbrance, including costs, expenses, and legal fees of the lienholder, if for any reason the blanket encumbrance is enforced.

"§ *66-237. Remedies.*

(a) Any purchaser injured by any violation of this Article may bring an action for rescission and restitution or for recovery of damages and for reasonable attorney's fees.

(b) The remedies herein shall be in addition to any other remedies provided for by law or in equity, but the damages assessed shall not exceed the largest amount of damages available by any single remedy.

(c) In addition to any other remedies provided for by law or in equity, the Secretary of State may bring an action to:

(1) Revoke the registration of a membership camping operator or a salesperson and seek an injunction to enjoin him from

engaging in the business of offering for sale or selling camping membership contracts in this State, or

(2) Enforce a final court order from any state or federal jurisdiction restricting or enjoining the acts or practices of a membership camping operator or a salesperson pertaining to the business of offering or selling membership camping contracts.

(d) The violation of any provisions of this Article shall constitute an unfair practice under G.S. 75-1.1."

Sec. 5. This act shall become effective January 1, 1993.

In the General Assembly read three times and ratified this the 22nd day of July, 1992.

S.B. 597 **CHAPTER 1010**

AN ACT TO CLARIFY SUBCONTRACTORS' LIENS AND DIRECT THE GENERAL STATUTES COMMISSION TO CONDUCT A STUDY OF STATUTORY LIENS OF MECHANICS, LABORERS AND MATERIALMEN AND MODEL PAYMENT AND PERFORMANCE BONDS AS SET FORTH IN ARTICLES 2 AND 3 OF CHAPTER 44A OF THE GENERAL STATUTES AND TO PROVIDE ATTORNEYS' FEES TO PREVAILING PARTIES IN ACTIONS RELATING TO STATUTORY LIENS ON REAL PROPERTY AND PAYMENT AND PERFORMANCE BONDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 44A-23 reads as rewritten:

"*§ 44A-23. Contractor's lien; perfection of subrogation rights of subcontractor.*

(a) First tier subcontractor --- A first~~, second or third~~ tier subcontractor, who gives notice as provided in this Article, may, to the extent of his claim, enforce the lien of the contractor created by Part 1 of Article 2 of this Chapter. The manner of such enforcement shall be as provided by G.S. 44A-7 through 44A-16. The lien is perfected as of the time set forth in G.S. 44A-10 upon filing of claim of lien pursuant to G.S. 44A-12. Upon the filing of the notice and claim of lien and the commencement of the action, no action of the contractor shall be effective to prejudice the rights of the subcontractor without his written consent.

(b) Second or third subcontractor. ---

(1) A second or third tier subcontractor, who gives notice as provided in this Article, may, to the extent of his claim,

enforce the lien of the contractor created by Part 1 of Article 2 of the Chapter except when:

i. The contractor, within 30 days following the date of the building permit is issued for the improvement of the real property involved, posts on the property in a visible location adjacent to the posted building permit and files in the office of the Clerk of Superior Court in each county wherein the real property to be improved is located, a completed and signed Notice of Contract form and the second or third tier subcontractor fails to serve upon the contractor a completed and signed Notice of Subcontract form by the same means of service as described in G.S. 44A-19(d); or

ii. After the posting and filing of a signed Notice of Contract and the service of a signed Notice of Subcontract, the contractor serves upon the second or third tier subcontractor, within 5 days following each subsequent payment, by the same means of service as described in G.S. 44A-19(d), the written notice of payment setting forth the date of payment and the period for which payment is made as requested in the Notice of Subcontract form set forth herein.

(2) The form of the Notice of Contract to be so utilized under this section shall be substantially as follows and the fee for filing the same with the Clerk of Superior Court shall be the same as charged for filing a Claim of Lien:

'NOTICE OF CONTRACT

'(1) Name and address of the Contractor:

'(2) Name and address of the owner of the real property at the time this Notice of Contract is recorded:

'(3) General description of the real property to be improved (street address, tax map lot and block number, reference to recorded instrument, or any other description that reasonably identifies the real property):

'(4) Name and address of the person, firm or corporation filing this Notice of Contract:

'Dated: _____

'Contractor

'Filed this the ---- day of ---------, 19--.

Clerk of Superior Court'

(3) The form of the Notice of Subcontract to be so utilized under this section shall be substantially as follows:

'NOTICE OF SUBCONTRACT

'(1) Name and address of the subcontractor:

'(2) General description of the real property where the labor was performed or the material was furnished (street address, tax map lot and block number, reference to recorded instrument, or any description that reasonably identifies the real property):

'(3)

'(i) General description of the subcontractor's contract, including the names of the parties thereto:

'(ii) General description of the labor and material performed and furnished thereunder:

'(4) Request is hereby made by the undersigned subcontractor that he be notified in writing by the contractor of, and within 5 days following, each subsequent payment by the contractor to the first tier subcontractor for labor performed or material furnished at the improved real property within the above descriptions of such in paragraph (2) and subparagraph (3)(ii), respectively, the date payment was made and the period for which payment is made.

'Dated:

Subcontractor'

(4) The manner of such enforcement shall be as provided by G.S. 44A-7 through G.S. 44A-16. The lien is perfected as of the time set forth in G.S. 44A-10 upon the filing of a Claim of Lien pursuant to G.S. 44A-12. Upon the filing of the notice and claim of lien and the commencement of the action, no action of the contractor shall be effective to prejudice the rights of the second or third tier subcontractor without his written consent."

Sec. 2. The General Statutes Commission shall conduct a study of statutory lien rights of contractors and subcontractors and payment

and performance bonds under Articles 2 and 3 of Chapter 44A of the General Statutes and recommend to the General Assembly changes, modifications and revisions to those statutes as deemed appropriate, including, but not limited to, the matters addressed in the Third Edition to Senate Bill 597 (House Committee Substitute, adopted July 4, 1991), of the 1991 Session of the General Assembly and the interpretation of the law as set forth by the North Carolina Supreme Court in *Electric Supply Co. v. Swain Electrical Co.*, 328 NC 651 (1991), and to report its recommendations to the 1993 General Assembly.

Sec. 3. Chapter 44A of the General Statutes is amended by adding a new section to read:

"*§ 44A-35. Attorneys' fees.*

In any suit brought or defended under the provisions of Article 2 or Article 3 of this Chapter, the presiding judge may allow a reasonable attorneys' fee to the attorney representing the prevailing party. This attorneys' fee is to be taxed as part of the court costs and be payable by the losing party upon a finding that there was an unreasonable refusal by the losing party to fully resolve the matter which constituted the basis of the suit or the basis of the defense. For purposes of this section, 'prevailing party' is a party plaintiff or third party plaintiff who obtains a judgment of at least fifty percent (50%) of the monetary amount sought in a claim or is a party defendant or third party defendant against whom a claim is asserted which results in a judgment of less than fifty percent (50%) of the amount sought in the claim defended. Notwithstanding the foregoing, in the event an offer of judgment is served in accordance with G.S. 1A-1, Rule 68, a 'prevailing party' is an offeree who obtains judgment in an amount more favorable than the last offer or is an offeror against whom judgment is rendered in an amount less favorable than the last offer."

Sec. 4. Section 1 of this act is effective upon ratification and applies to actions filed on or after the date of ratification. Section 2 of this act is effective upon ratification. Section 3 of this act is effective upon ratification and applies to actions filed on or after the date of ratification but before July 1, 1994.

In the General Assembly read three times and ratified this the 22nd day of July, 1992.

S.B. 790 **CHAPTER 1011**

AN ACT TO EQUALIZE PER DIEM PAYMENTS FOR OCCUPATIONAL LICENSING BOARD MEMBERS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 93B-5(a) reads as rewritten:

"(a) Board members shall receive as compensation for their services per diem not to exceed ~~thirty-five dollars ($35.00)~~ one hundred dollars ($100.00) for each day during which they are engaged in the official business of the board."

Sec. 2. G.S. 90-133 reads as rewritten:

"*§ 90-133. Fees held by Board; salaries; payment of expenses.*

All fees shall be paid in advance to the treasurer of the Board, to be by him held as a fund for the use of the State Board of Osteopathic Examination and Registration. The compensation and expenses of the members and officers of said Board, and all expenses proper and necessary, in the opinion of said Board, to discharge its duties under and to enforce the law, shall be in accordance with G.S. 93B-5, shall be paid out of such fund, upon the warrant of the president and secretary of said Board, and no expense shall be created to exceed the income of fees or fines as herein provided. ~~The salaries shall be fixed by the Board, but shall not exceed ten dollars ($10.00) per day per member, and railroad and hotel expenses.~~"

Sec. 3. G.S. 90-171.21(g) reads as rewritten:

"(g) Reimbursement. -- Board members are entitled to receive compensation and reimbursement as authorized by G.S. 93B-5, ~~provided that Board members may receive a per diem not to exceed fifty dollars ($50.00) per day for each day during which they are engaged in the official business of the Board~~."

Sec. 4. G.S. 90-184 reads as rewritten:

"*§ 90-184. Compensation of the Board.*

In addition to such reimbursement for travel and other expenses as is normally allowed to State employees, each member of the Board, for each day or substantial portion thereof he is engaged in the work of the Board may receive a per diem allowance, as determined by the ~~Board, not to exceed thirty-five dollars ($35.00) per day~~ Board in accordance with G.S. 93B-5. None of the expenses of the Board or of the members shall be paid by the State."

Sec. 5. G.S. 90A-56 reads as rewritten:

"*§ 90A-56. Compensation of Board members; expenses; employees.*

Members of the Board shall receive ~~thirty-five dollars ($35.00) per day for each day actually spent in the performance of duties required by this Chapter, plus all necessary travel expenses in an amount not to exceed that authorized under G.S. 138-6(a), (1), (2), and (3) for officers and employees of State departments~~ compensation and be reimbursed for travel expenses in accordance with G.S. 93B-5. The Board may employ necessary personnel for the performance of its functions and fix the compensation therefor, within the limits of funds available to the Board. The total expenses of the administration of this

Article shall not exceed the total income therefrom and none of the expenses of said Board or the compensation or expenses of any officer thereof or any employee shall ever be paid or payable out of the treasury of the State of North Carolina; and neither the Board nor any officer or employee thereof shall have any power or authority to make or incur any expense, debt, or other financial obligation binding upon the State of North Carolina."

Sec. 6. G.S. 93-12(1) reads as rewritten:

"(1) To elect from its members a president, vice-president and secretary-treasurer. The members of the Board shall ~~be paid, for the time actually expended in pursuance of the duties imposed upon them by this Chapter, an amount not exceeding ten dollars ($10.00) per day, and they shall be entitled to necessary traveling expenses~~ receive compensation and reimbursement for travel expenses in accordance with G.S. 93B-5."

Sec. 7. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 22nd day of July, 1992.

S.B. 1154 **CHAPTER 1012**

AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is to authorize construction, by certain constituent institutions of The University of North Carolina, of the capital improvements projects listed in Section 2 of this act for each institution, and to authorize the financing of these capital improvements projects with funds available to the institutions from gifts, grants, receipts, self-liquidating indebtedness, or other funds, or any combination of these funds, but not including funds appropriated from the General Fund of the State.

Sec. 2. The projects authorized to be constructed and financed as provided in Section 1 of this act are as follows:

(1)	Appalachian State University	
	a. Student Housing	$7,730,600
	b. Dormitory Addition and Renovations	9,202,500
(2)	East Carolina University	
	a. Renovation of Minges Coliseum	4,255,900

(3)	Fayetteville State University	
	a. Addition - New Residence Hall	3,285,100
(4)	The University of North Carolina at Chapel Hill	
	a. Campus Fiber Optic Network	6,871,200
	b. Health Affairs Book Store	994,700
(5)	The University of North Carolina at Charlotte	
	a. Parking Deck	6,878,300
	b. Student Activities Center	26,296,000
(6)	The University of North Carolina at Greensboro	
	a. Renovate Moore-Strong Residence Hall	4,267,600
	b. Student Housing	5,740,000.

Sec. 3. At the request of The University of North Carolina Board of Governors and upon determining that it is in the best interest of the State to do so, the Director of the Budget may authorize an increase or decrease in the scope of or a change in the method of funding for any project authorized by this act. In making a determination of whether to authorize a change in scope or funding, the Director of the Budget may consult with the Advisory Budget Commission. In no event shall appropriations from the General Fund be used for a project authorized by this act.

Sec. 4. Until the debt incurred for the Student Activities Center authorized by Section 2(5)b of this act has been retired, the total required fees at the University of North Carolina at Charlotte may not exceed the average required fees for all of the constituent institutions of The University of North Carolina.

Sec. 5. Except for fee increases made at constituent institutions of The University of North Carolina to retire debt incurred for capital projects authorized by an act of the General Assembly, the Board of Governors of The University of North Carolina may not increase any required fees at the constituent institutions until the Board adopts rules to limit the amount of student fees that may be charged to retire debt at each institution, as required by Section 237(b) of Chapter 689 of the 1991 Session Laws, and the rules are presented to the General Assembly. The Board may not adopt these rules before April 1, 1993. The Board shall present the rules to the General Assembly by sending each member of the General Assembly a copy of the rules.

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of July, 1992.

S.B. 1159 **CHAPTER 1013**

AN ACT TO REPEAL THE REQUIREMENT THAT LONG-TERM CONTRACTS ENTERED INTO BY LOCAL GOVERNMENTS

FOR THE COLLECTION OR DISPOSAL OF NONHAZARDOUS SOLID WASTE MUST BE APPROVED BY THE DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES, TO ESTABLISH A UNIFORM MAXIMUM DURATION OF SUCH CONTRACTS, TO ALLOW ALL LOCAL GOVERNMENTS TO ENTER INTO SUCH CONTRACTS, TO PROVIDE FOR PARTIAL CREDIT IN CERTAIN CASES TOWARD THE STATE NONHAZARDOUS MUNICIPAL SOLID WASTE REDUCTION GOAL FOR NONHAZARDOUS MUNICIPAL SOLID WASTE THAT IS CONVERTED TO TIRE-DERIVED FUEL OR REFUSE-DERIVED FUEL, AND TO REQUIRE A PUBLIC HEARING AND CONSIDERATION OF CERTAIN DATA PRIOR TO THE SELECTION OR APPROVAL OF A SITE FOR CERTAIN SANITARY LANDFILLS BY UNITS OF LOCAL GOVERNMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 153A-136 reads as rewritten:

"*§ 153A-136. Regulation of solid wastes.*

(a) A county may by ordinance regulate the storage, collection, transportation, use, disposal, and other disposition of solid wastes. Such an ordinance may:

(1) Regulate the activities of persons, firms, and corporations, both public and private.

(2) Require each person wishing to commercially collect or dispose of solid wastes to secure a license from the county and prohibit any person from commercially collecting or disposing of solid wastes without a license. A fee may be charged for a license.

(3) Grant a franchise to one or more persons for the exclusive right to commercially collect or dispose of solid wastes within all or a defined portion of the county and prohibit any other person from commercially collecting or disposing of solid wastes in that area. The board of commissioners may set the terms of any franchise, except that no franchise may be granted for a period exceeding ~~seven~~ 30 years, nor may any franchise by its terms impair the authority of the board of commissioners to regulate fees as authorized by this section.

(4) Regulate the fees, if any, that may be charged by licensed or franchised persons for collecting or disposing of solid wastes.

(5) Require the source separation of materials from solid waste prior to collection of the solid waste for disposal.

(6) Require participation in a recycling program which has been approved by the board of commissioners.

(7) Include any other proper matter.

(b) Any ordinance adopted pursuant to this section shall be consistent with and supplementary to any rules adopted by the Commission for Health Services or the Department of Environment, Health, and Natural Resources.

(c) The board of commissioners of a county shall consider alternative sites and socioeconomic and demographic data and shall hold a public hearing prior to selecting or approving a site for a new sanitary landfill that receives residential solid waste that is located within one mile of an existing sanitary landfill within the State. The distance between an existing and a proposed site shall be determined by measurement between the closest points on the outer boundary of each site. The definitions set out in G.S. 130A-290 apply to this subsection. As used in this subsection:

(1) 'Approving a site' refers to prior approval of a site under G.S. 130A-294(a)(4).

(2) 'Existing sanitary landfill' means a sanitary landfill that is in operation or that has been in operation within the five-year period immediately prior to the date on which an application for a permit is submitted.

(3) 'New sanitary landfill' means a sanitary landfill that includes areas not within the legal description of an existing sanitary landfill as set out in the permit for the existing sanitary landfill.

(4) 'Socioeconomic and demographic data' means the most recent socioeconomic and demographic data compiled by the United States Bureau of the Census and any additional socioeconomic and demographic data submitted at the public hearing.

(d) As used in this section, 'solid waste' means nonhazardous solid waste, that is, solid waste as defined in G.S. 130A-290 but not including hazardous waste."

Sec. 2. G.S. 160A-319 reads as rewritten:

"§ *160A-319. Utility franchises.*

(a) A city shall have authority to grant upon reasonable terms franchises for the operation within the city of any of the enterprises listed in G.S. 160A-311 and for the operation of telephone systems. No franchise shall be granted for a period of more than 60 years, except that a franchise for solid waste collection or disposal systems and facilities shall not be granted for a period of more than 30 years and cable television franchises shall not be granted for a period of more than 20 years. Except as otherwise provided by law, when a

city operates an enterprise, or upon granting a franchise, a city may by ordinance make it unlawful to operate an enterprise without a franchise.

(b) For the purposes of this section, 'cable television system' means any system or facility that, by means of a master antenna and wires or cables, or by wires or cables alone, receives, amplifies, modifies, transmits, or distributes any television, radio, or electronic signal, audio or video or both, to subscribing members of the public for compensation. 'Cable television system' does not include providing master antenna services only to property owned or leased by the same person, firm, or corporation, nor communication services rendered to a cable television system by a public utility that is regulated by the North Carolina Utilities Commission or the Federal Communications Commission in providing those services."

Sec. 3. Part 1 of Article 16 of Chapter 160A of the General Statutes is amended by adding a new section to read:

"*§ 160A-325. Selection or approval of sites for certain sanitary landfills; solid waste defined.*

(a) The governing board of a city shall consider alternative sites and socioeconomic and demographic data and shall hold a public hearing prior to selecting or approving a site for a new sanitary landfill that receives residential solid waste that is located within one mile of an existing sanitary landfill within the State. The distance between an existing and a proposed site shall be determined by measurement between the closest points on the outer boundary of each site. The definitions set out in G.S. 130A-290 apply to this subsection. As used in this subsection:

(1) 'Approving a site' refers to prior approval of a site under G.S. 130A-294(a)(4).

(2) 'Existing sanitary landfill' means a sanitary landfill that is in operation or that has been in operation within the five-year period immediately prior to the date on which an application for a permit is submitted.

(3) 'New sanitary landfill' means a sanitary landfill that includes areas not within the legal description of an existing sanitary landfill as set out in the permit for the existing sanitary landfill.

(4) 'Socioeconomic and demographic data' means the most recent socioeconomic and demographic data compiled by the United States Bureau of the Census and any additional socioeconomic and demographic data submitted at the public hearing.

(b) As used in this Part, 'solid waste' means nonhazardous solid waste, that is, solid waste as defined in G.S. 130A-290 but not including hazardous waste."

Sec. 4. Part 3 of Article 15 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"*§ 153A-294. Solid waste defined.*

As used in this Article, 'solid waste' means nonhazardous solid waste, that is, solid waste as defined in G.S. 130A-290 but not including hazardous waste."

Sec. 5. Part 4 of Article 15 of Chapter 153A of the General Statutes, as amended by Chapters 763, 773, and 775 of the 1991 Session Laws (1992 Regular Session), is repealed.

Sec. 6. G.S. 130A-309.04 reads as rewritten:

"*§ 130A-309.04. State solid waste management policy and goals.*

(a) It is the policy of the State to promote methods of solid waste management that are alternatives to disposal in landfills and to assist units of local government with solid waste management. In furtherance of this State policy, there is established a hierarchy of methods of managing solid waste, in descending order of preference:

(1) Waste reduction at the source;
(2) Recycling and reuse;
(3) Composting;
(4) Incineration with energy production;
(5) Incineration for volume reduction;
(6) Disposal in landfills.

(b) It is the policy of the State to encourage research into innovative solid waste management methods and products and to encourage regional solid waste management projects.

(c) It is the goal of this State to reduce the municipal solid waste ~~stream~~ stream, primarily through source reduction, reuse, recycling, and composting, on a per capita basis, on the following schedule:

(1) Twenty-five percent (25%) by 30 June 1993.
(2) Forty percent (40%) by 30 June 2001.

(c1) To measure progress toward the municipal solid waste reduction goals in a given year, comparison shall be made between the amount by weight of the municipal solid waste that, during the baseline year and the given year, is received at municipal solid waste management facilities and is:

(1) Disposed of in a landfill;
(2) Incinerated;
(3) Converted to tire-derived fuel; or
(4) Converted to refuse-derived fuel.

(c2) Comparison shall be between baseline and given years beginning on 1 July and ending on 30 June of the following year.

The baseline year shall be the year beginning 1 July 1991 and ending 30 June 1992. However, a unit of local government may use an earlier baseline year if it demonstrates to the satisfaction of the Department that it has sufficient data to support the use of the earlier baseline year.

(c3) If a unit of local government is unable to meet the municipal solid waste reduction goal established in subdivision (2) of subsection (c) of this section and if the unit of local government demonstrates to the satisfaction of the Department that it has considered all reasonably available options to reduce its municipal solid waste stream through source reduction, reuse, recycling, and composting and that it has made a good faith effort and done everything technologically and economically feasible to meet the goal, for the purpose of calculating progress of the unit of local government toward the goal, ten percent (10%) of the amount by weight of the municipal solid waste stream that is converted to tire-derived fuel or refuse-derived fuel may be added to the amount that is diverted from the municipal solid waste stream through source reduction, reuse, recycling, and composting.

(d) In furtherance of the State's solid waste management policy, each State agency shall develop a solid waste management plan which is consistent with the solid waste management policy of the State.

(e) Each county, either individually or in cooperation with others, shall, in cooperation with its municipalities, develop a comprehensive county solid waste management plan and submit the plan to the Department for approval. County solid waste management plans shall be updated and submitted for approval at least once every two years. A county solid waste management plan shall be consistent with the State's comprehensive solid waste plan. In counties where a municipality operates the major solid waste disposal facility, the comprehensive solid waste plan may be prepared by the municipality, with the approval of the county and in cooperation with the other municipalities. Each county's comprehensive solid waste management plan shall include provisions which address the State's waste reduction goals. Each county's plan shall take into consideration facilities and other resources for management of solid waste which may be available through private enterprise. This section shall be construed to encourage the involvement and participation of private enterprise in solid waste management. The Department shall develop a form designed to elicit pertinent information regarding a county's solid waste management plan. The Department shall provide assistance in the preparation of county plans upon request.

(f) Any unit of local government that does not participate in a county solid waste management plan shall prepare a plan in accordance with the provisions of subsection (e) of this section."

Sec. 7. G.S. 130A-290(28a) reads as rewritten:

"(28a) 'Refuse-derived fuel' means ~~a form of~~ fuel ~~derived from a~~ that consists of municipal solid waste ~~by a processing system in~~ from which recyclable and noncombustible materials are removed ~~and~~ so that the remaining ~~combustible~~ material is ~~converted for use as a fuel.~~ used for energy production."

Sec. 8. Any contract for solid waste collection or disposal entered into by any county, city, or town that would have been lawful if this act had been in effect at the time the contract was entered into is validated. The provisions of this act that limit a contract or franchise for the collection and disposal of solid waste to a period of not more than 30 years shall not be construed to invalidate any contract or franchise for a longer period up to 60 years that was entered into by any county, city, or town prior to the date this act is effective.

Sec. 9. G.S. 153A-136(c), as enacted by Section 1 of this act, and G.S. 160A-325(a), as enacted by Section 3 of this act, shall not apply to the selection or approval of a site for a new sanitary landfill if, prior to the effective date of this act:

(1) The site was selected or approved by the board of commissioners of a county or the governing board of a city;

(2) A public hearing on the selection or approval of the site has been held;

(3) A long-term contract was approved by the Department of Environment, Health, and Natural Resources under Part 4 of Article 15 of Chapter 153A of the General Statutes; or

(4) An application for a permit for a sanitary landfill to be located on the site has been submitted to the Department of Environment, Health, and Natural Resources.

Sec. 10. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 22nd day of July, 1992.

S.B. 721 **CHAPTER 1014**

AN ACT TO REQUIRE REGISTRATION OF AND FINANCIAL STATEMENTS FROM COMPANIES OFFERING MOTOR VEHICLE SERVICE AGREEMENTS AND COMPANIES OFFERING HOME APPLIANCE SERVICE AGREEMENTS.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 58 of the General Statutes is amended by adding the following new sections to read:

"*§ 58-1-25. Motor vehicle service agreement companies.*

(a) This section applies to all motor vehicle service agreement companies soliciting business in this State, but it shall not apply to the usual performance guarantees or warranties offered at no charge by manufacturers in connection with the sale of new motor vehicles. This section does not apply to any motor vehicle dealer licensed to do business in this State (i) whose primary business is the retail sale and service of motor vehicles; (ii) who makes and administers its own service agreements without association with any other entity; or (iii) whose service agreements cover only vehicles sold by the dealer to its retail customer.

(b) The following definitions apply in this section:

(1) Motor vehicle service agreement. Any contract or agreement indemnifying the motor vehicle service agreement holder against loss caused by failure, arising out of the ownership, operation, or use of a motor vehicle, of a mechanical or other component part of the motor vehicle that is listed in the agreement. The term does not mean a contract or agreement guaranteeing the performance of parts or lubricants manufactured by the guarantor and sold for use in connection with a motor vehicle where no additional consideration is paid or given to the guarantor for the contract or agreement beyond the price of the parts or lubricants.

(2) Motor vehicle service agreement company. Any person that issues motor vehicle service agreements and that is not a licensed insurer.

(c) No motor vehicle service agreement company shall enter into a motor vehicle service agreement or transact business in this State unless it has registered with the Commissioner of Insurance. Any nonregistered motor vehicle service agreement company transacting business in this State in violation of this section is subject to a civil penalty or restitution, or both, as provided in G.S. 58-2-70. An insurer authorized to transact property and casualty insurance in this State may also transact motor vehicle service agreement business without additional registration under G.S. 58-1-40.

(d) Transacting motor vehicle service agreement business in this State includes any of the following:

(1) Maintaining in this State an agency or office where any acts in furtherance of a motor vehicle service agreement business are transacted.

(2) Maintaining in this State files of motor vehicle service agreements.

(3) Receiving in this State payments of premiums for motor vehicle service agreements, whether directly or through a sales representative of the company.

(4) Issuing or delivering motor vehicle service agreements in this State.

(5) Soliciting applications for motor vehicle service agreements through mail addressed to persons residing in this State, through media, or through other means intended to reach persons in this State.

(6) Collecting in this State premiums, fees, assessments, or other considerations for motor vehicle service agreements.

(7) Administering motor vehicle service agreements that have been issued or delivered in this State.

(e) Every motor vehicle service agreement company shall complete a registration form and file it with the Commissioner as provided in G.S. 58-1-40. The company shall include a nonrefundable registration fee of five hundred dollars ($500.00) with its application. It is a misdemeanor offense for any company knowingly to make a fraudulent statement or representation in its registration. The registration shall be renewed annually by payment of a nonrefundable renewal fee of two hundred dollars ($200.00).

(f) Nothing in this section authorizes any motor vehicle service agreement company to transact any business other than motor vehicle service agreement business unless the company is authorized to engage in that other business as a licensed insurer.

(g) Each motor vehicle service agreement company issuing motor vehicle service agreements shall file a financial statement as provided in G.S. 58-1-45. The Commissioner shall impose on a company a late penalty of fifty dollars ($50.00) for each day that the company does not file its statement. The company shall not do business in the State until it files its statement.

"*§ 58-1-30. Home appliance service agreement companies.*

(a) This section applies to all home appliance service agreement companies soliciting business in this State, but it shall not apply to the usual performance guarantees or warranties offered at no charge by manufacturers in connection with the sale of new home appliances. This section does not apply to any home appliance dealer licensed to do business in this State (i) whose primary business is the retail sale and service of home appliances; (ii) who makes and administers its own service agreements without association with any other entity; or (iii) whose service agreements cover only appliances sold by the dealer to its retail customers.

(b) The following definitions apply in this section:

(1) Home appliance. Includes a clothes washing machine or dryer; kitchen appliance; vacuum cleaner; sewing machine; home audio or video electronic equipment; home electronic data processing equipment; or heater or air conditioner, other than a permanently installed unit using internal ductwork.

(2) Home appliance service agreement. Any contract or agreement indemnifying the home appliance service agreement holder against loss caused by failure, arising out of the ownership, operation, or use of a home appliance, of a mechanical or other component part of the home appliance that is listed in the agreement.

(3) Home appliance service agreement company. Any person that issues home appliance service agreements and that is not a licensed insurer.

(c) No home appliance service agreement company shall enter into a home appliance service agreement or transact business in this State unless it has registered with the Commissioner. Any nonregistered home appliance service agreement company transacting business in this State in violation of this section is subject to a civil penalty or restitution, or both, as provided in G.S. 58-2-70. An insurer authorized to transact property and casualty insurance in this State may also transact home appliance service agreement business without additional registration.

(d) Transacting home appliance service agreement business in this State includes any of the following:

(1) Maintaining in this State an agency or office where any acts in furtherance of a home appliance service agreement business are transacted.

(2) Maintaining in this State files of home appliance service agreements.

(3) Receiving in this State payments of premiums for home appliance service agreements, whether directly or through a sales representative of the company.

(4) Issuing or delivering home appliance service agreements in this State.

(5) Soliciting applications for home appliance service agreements through mail addressed to persons residing in this State, through media, or through other means intended to reach persons in this State.

(6) Collecting in this State premiums, fees, assessments, or other considerations for home appliance service agreements.

(7) Administering home appliance service agreements that have been issued or delivered in this State.

(e) Every home appliance service agreement company shall complete a registration form and file it with the Commissioner as provided in G.S. 58-1-40. The company shall include a nonrefundable registration fee of five hundred dollars ($500.00) with its application. It is a misdemeanor offense for any service agreement company knowingly to make a fraudulent statement or representation in its registration. The registration shall be renewed annually by payment of a nonrefundable renewal fee of two hundred dollars ($200.00).

(f) Nothing in this section authorizes any home appliance service agreement company to transact any business other than home appliance service agreement business unless the company is authorized to engage in that other business as a licensed insurer.

(g) Each home appliance service agreement company issuing home appliance service agreements shall file a financial statement as provided in G.S. 58-1-45. The Commissioner shall impose on a company a late penalty of fifty dollars ($50.00) for each day that the company does not file its statement. The company shall not do business in the State until it files its statement.

"*§ 58-1-35. Miscellaneous requirements for motor vehicle and home appliance service agreement companies.*

(a) The provisions of this section and G.S. 58-1-40 through G.S. 58-1-50 apply to companies specified in G.S. 58-1-25 and G.S. 58-1-30.

(b) The following definitions apply in this section and in G.S. 58-1-40 through G.S. 58-1-50:

(1) Service agreement. Includes motor vehicle service agreements and home appliance service agreements.

(2) Service agreement company. Includes motor vehicle service agreement companies and home appliance service agreement companies.

(c) Before the sale of any service agreement, the service agreement company shall give written notice to the customer clearly disclosing that the purchase of the agreement is not required either to purchase or to obtain financing for a motor vehicle or home appliance, as the case may be.

(d) No service agreement may be used in this State by any service agreement company if the agreement:

(1) In any respect violates, or does not comply with, the laws of this State;

(2) Contains, or incorporates by reference when incorporation is otherwise permissible, any inconsistent, ambiguous, or misleading clauses or any exceptions and conditions that

deceptively affect the risk purported to be assumed in the general coverage of the agreement;

(3) Has any title, heading, or other indication of its provisions that is misleading; or

(4) Is printed or otherwise reproduced in a manner that renders any material provision of the agreement substantially illegible.

(e) All service agreements used in this State by a service agreement company shall:

(1) Not contain provisions that allow the company to cancel the agreement in its discretion other than for nonpayment of premiums or for a direct violation of the agreement by the consumer where the service agreement states that violation of the agreement would subject the agreement to cancellation;

(2) With respect to a motor vehicle service agreement as defined in G.S. 58-1-25(b)(1), provide for a right of assignability by the consumer to a subsequent purchaser before expiration of coverage if the subsequent purchaser meets the same criteria for motor vehicle service agreement acceptability as the original purchaser; and

(3) Contain a cancellation provision allowing the consumer to cancel at any time after purchase and receive a pro rata refund less any claims paid on the agreement and a reasonable administrative fee, not to exceed ten percent (10%) of the amount of the pro rata refund.

(f) Each service agreement company, as a minimum requirement for permanent office records, shall maintain:

(1) A complete set of accounting records, including a general ledger, cash receipts and disbursements journals, accounts receivable registers, and accounts payable registers.

(2) Memorandum journals showing the service agreement forms issued to the company salespersons and recording the delivery of the forms to dealers.

(3) Memorandum journals showing the service agreement forms received by dealers and indicating the disposition of the forms by the dealers.

(4) A detailed service agreement register, in numerical order by agreement number, of agreements in force. The register shall include the following: agreement number, date of issue, issuing dealer, name of agreement holder, description of item covered, service agreement period (and, if applicable, mileage), gross premium, total commission paid, and net premium.

(5) A detailed claims register, in numerical order by service agreement number. The register shall include the following information: agreement number, date of issue, date claim paid, and, if applicable, disposition other than payment and reason for the disposition.

(g) The Commissioner or the Commissioner's employees shall have the right to examine periodically all service agreement companies pursuant to the Examination Law for insurers. The Commissioner may contract, at reasonable fees for work performed, with qualified, impartial, outside sources to perform, in whole or in part, audits or examinations to determine the continued compliance with the requirements applicable to service agreement companies. The contracts are not subject to Article 3C of Chapter 143 of the General Statutes. The audits or examinations shall be under the Commissioner's direct supervision. The results of the audits or examinations are subject to the Commissioner's review and approval, disapproval, or modification.

(h) No insurer or service agreement company shall act as a fronting company for any unauthorized insurer or unregistered service agreement company. As used in this subsection, 'fronting company' means a licensed insurer or registered service agreement company that, by reinsurance or otherwise, generally transfers to one or more unauthorized insurers or unregistered service agreement companies a substantial portion of the risk of loss under agreements it writes in this State. Any insurer or service agreement company acting in violation of this subsection is subject to immediate suspension or revocation of its insurance license or service agreement registration.

(i) All funds belonging to insurers, companies, or others received by a salesperson of a service agreement are trust funds received by the salesperson in a fiduciary capacity; and the salesperson, in the applicable regular course of business, shall account for and pay the funds to the person entitled to the funds. Any salesperson who, not being entitled to the funds, diverts or appropriates the funds or any portion of the funds, other than funds representing the salesperson's commission if authorized by the salesperson agreement, to his or her own use, upon conviction is guilty of embezzlement under G.S. 14-90.

(j) Any person who knowingly offers for sale or sells a service agreement for a company that has failed to comply with the provisions of this section is guilty of a misdemeanor. All service agreement companies and individuals selling service agreements are subject to Article 63 of this Chapter and G.S. 75-1 through G.S. 75-19. It is unlawful for any person to operate, maintain, or establish a service agreement company unless the company has a valid registration issued

by the Commissioner. Any service agreement company operating in this State without a valid registration is an unauthorized insurer.

(k) Each service agreement company shall maintain contractual liability insurance with a licensed insurer for one hundred percent (100%) of claims exposure, including reported and incurred but not reported claims and claims expenses, on business written in this State.

(l) No service agreement company shall use in its name, contracts, literature, advertising in any medium, or any other printed matter the words 'insurance', 'casualty', 'surety', 'mutual', or any other words descriptive of the insurance business or deceptively similar to the name or description of any insurer doing business in this State, except to indicate that the obligations of the contract are insured by an insurance company.

"§ 58-1-40. *Registration of service agreement companies.*

Each service agreement company shall file with the Commissioner an application for registration on a form prescribed by the Commissioner and signed under oath by officers of the company. The application shall include or have attached the following:

(1) A copy of the company's articles of incorporation, constitution, and bylaws.

(2) A list of the names, addresses, and official capacities with the company of the individuals who will be responsible for the management and conduct of the affairs of the company, including all trustees, officers, and directors. Those individuals shall fully disclose the extent and nature of any contracts or arrangements between them and the company, including possible conflicts of interest.

(3) A copy of the service agreement, including a table of the rates and premiums charged or proposed to be charged for each form of the service agreement.

(4) The deposit required under G.S. 58-1-41.

(5) A copy of the company's contractual liability policy.

(6) A copy of the company's financial statement, certified by an independent certified public accountant.

(7) Any additional information that the Commissioner requires.

"§ 58-1-41. *Required deposit.*

(a) To ensure the faithful performance of its obligations, each service agreement company shall, prior to issuance of its license by the Department, deposit with the Department securities of the type eligible for deposit by insurers, in accordance with Article 5 of this Chapter, and having at all times a market value of not less than $200,000 and not more than $500,000, in accordance with rules adopted by the Commissioner commensurate with the risk assumed.

(b) Such deposit shall be maintained unimpaired as long as the company continues in business in this State. Whenever the company ceases to transact business in this State and furnishes to the Department proof, satisfactory to the Department, that it has discharged or otherwise adequately provided for all its obligations to its consumers or purchasers in this State, the Department shall release the deposited securities to the parties entitled thereto, on presentation of the receipts of the Department for such securities.

"*§ 58-1-45. Annual reports and quarterly reports of service agreement companies.*

(a) Every service agreement company shall, on or before March 1 of each year or within any extension of time that the Commissioner grants for good cause, file a report with the Commissioner, on forms prescribed by the Commissioner and verified by oath of its chief executive or financial officer, showing its financial condition on the last day of the preceding calendar year.

(b) In addition to the information called for and furnished in connection with the annual report, the Commissioner may request information that summarizes paid and incurred expenses and contributions or premiums received. The company shall provide that information not later than 30 days after the request, unless the Commissioner grants, for good cause, an extension.

(c) The Commissioner may require a service agreement company to file quarterly, within 45 days after the end of each of its fiscal quarters, an unaudited financial statement on a form prescribed by the Commissioner, verified by the oath of the chief executive or financial officer, showing its financial condition on the last day of the preceding quarter.

(d) Any service agreement company that fails to file a report required by this section is subject to G.S. 58-2-70. After notice and opportunity for hearing, the Commissioner may suspend the company's authority to do business in this State while the failure continues.

"*§ 58-1-50. Denial, suspension, or revocation of registration of service agreement companies.*

(a) The Commissioner shall deny, suspend, or revoke a service agreement company's registration upon determining that the company:

(1) Is insolvent;

(2) Is using methods and practices in the conduct of its business that render its further transaction of business in this State hazardous or injurious to its customers or to the public;

(3) Has failed to pay any final judgment rendered against it in a court of competent jurisdiction within 60 days after the judgment became final; or

(4) Is or has been in violation of or threatens to violate applicable provisions of the laws of this State.

(b) The Commissioner may deny, suspend, or revoke the registration of any service agreement company upon determining that the company:

(1) Has violated any lawful order or rule of the Commissioner; or

(2) Has refused to be examined or to produce its accounts, records, or files for examination; or through any of its officers has refused to give information about its affairs or to perform any other legal obligation as to the examination, when required by the Commissioner.

(c) Whenever the financial condition of a service agreement company is such that, if not modified or corrected, its continued operation would result in impairment or insolvency, in addition to any provisions in Article 30 of this Chapter, the Commissioner may order the company to file with the Commissioner and implement a corrective action plan designed to do one or more of the following:

(1) Reduce the total amount of present potential liability for benefits by reinsurance or other means.

(2) Reduce the volume of new business being accepted.

(3) Reduce the expenses of the company by specified methods.

(4) Suspend or limit the writing of new business for a period of time.

If the service agreement company fails to submit a plan within the time specified by the Commissioner or submits a plan that is insufficient to correct the company's financial condition, the Commissioner may order the company to implement one or more of the corrective actions listed in this subsection.

(d) The Commissioner shall, in the order suspending a service agreement company's authority to write new business, specify the period during which the suspension is to be in effect and the conditions, if any, that must be met before reinstatement of its authority to write new business. The order of suspension is subject to rescission or modification by further order of the Commissioner before the expiration of the suspension period. The Commissioner shall reinstate the service agreement company's authority to write new business only if the company requests reinstatement and the Commissioner finds that the circumstances causing suspension no longer exist."

Sec. 2. G.S. 58-1-15(b) reads as rewritten:

"(b) Any warranty made solely by a manufacturer, distributor, or seller of goods or services without charge, or an extended warranty offered as an option and made solely by a manufacturer, distributor,

or seller of goods or services for charge, that guarantees indemnity for defective parts, mechanical or electrical breakdown, labor, or any other remedial measure, including replacement of goods or repetition of services, shall not be a contract of insurance under Articles 1 through 64 of this ~~Chapter.~~ Chapter; however, service agreements on motor vehicles are governed by G.S. 58-1-25 and G.S. 58-1-35 through G.S. 58-1-50. Service agreements on home appliances are governed by G.S. 58-1-30 through G.S. 58-1-50."

Sec. 3. The fees collected under G.S. 58-1-25 and G.S. 58-1-30 shall be credited to the General Fund as nontax revenue.

Sec. 4. G.S. 58-6-1 reads as rewritten:

"*§ 58-6-1. Commissioner to report taxes, fees, and civil penalties and pay monthly.*

On or before the 10th day of each month the Commissioner shall furnish to the Auditor a statement in detail of the ~~taxes and license fees~~ taxes, fees, and civil penalties received ~~by him~~ during the previous month, and shall pay the amounts received to the ~~Treasurer the amount in full of such taxes and fees.~~ Treasurer. Except as otherwise provided, the amounts shall be credited to the General Fund. The Auditor may examine the accounts of the Commissioner and check them up with said statement."

Sec. 5. This act becomes effective January 1, 1993, and applies to service agreements written to become effective on or after that date.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

S.B. 1014 **CHAPTER 1015**

AN ACT TO REVISE THE CATEGORY OF SPECIAL MOBILE EQUIPMENT, TO ESTABLISH A UNIFORM REGISTRATION FEE FOR SPECIAL MOBILE EQUIPMENT, AND TO ALLOW SPECIAL MOBILE EQUIPMENT TO TOW CERTAIN VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-4.01(44) reads as rewritten:

"(44) Special Mobile Equipment. -- ~~Every truck, truck-tractor, industrial truck, trailer, or semitrailer on which have been permanently attached cranes, mills, well-boring apparatus, ditch-digging apparatus, air compressors, electric welders, or any similar type apparatus or which have been converted into living or office quarters, or other self-propelled vehicles which were originally constructed in a similar manner which are operated on the highway~~

~~only for the purpose of getting to and from a nonhighway job and not for the transportation of persons or property or for hire. This shall also include trucks on which special equipment has been mounted and used by American Legion or Shrine Temples for parade purposes, trucks or vehicles privately owned on which fire-fighting equipment has been mounted and which are used only for fire-fighting purposes, and vehicles on which are permanently mounted feed mixers, grinders, and mills although there is also transported on the vehicle molasses or other similar type feed additives for use in connection with the feed-mixing, grinding, or milling process.~~ Any of the following:

a. A vehicle that has a permanently attached crane, mill, well-boring apparatus, ditch-digging apparatus, air compressor, electric welder, feed mixer, grinder, or other similar apparatus, is driven on the highway only to get to and from a nonhighway job, and is not designed or used primarily for the transportation of persons or property.

b. A vehicle that has permanently attached special equipment and is used only for parade purposes.

c. A vehicle that is privately owned, has permanently attached fire-fighting equipment, and is used only for fire-fighting purposes.

d. A vehicle that has permanently attached playground equipment and is used only for playground purposes."

Sec. 2. G.S. 20-87(10) reads as rewritten:

"(10) Special Mobile Equipment. -- The ~~tax~~ fee for special mobile equipment ~~shall be seven dollars ($7.00)~~ for the license year or any ~~portion thereof; provided, that vehicles on which are permanently mounted feed mixers, grinders and mills and on which are also transported molasses or other similar type feed additives for use in connection with the feed mixing, grinding or milling process shall be taxed an additional sum of thirty-three dollars ($33.00) for the license year or any portion thereof, in addition to the basic four dollars ($4.00) tax provided for herein.~~ part of the license year is the same as the fee in subdivision (5) for a private passenger motor vehicle of not more than 15 passengers."

Sec. 3. Part 10 of Article 3 of Chapter 20 of the General Statutes is amended by adding a new section to read:

"*§ 20-140.5. Special mobile equipment may tow certain vehicles.*

Special mobile equipment may tow any of the following vehicles:

(1) A single passenger vehicle that can carry no more than nine passengers and is not loaded, in whole or in part, with passengers or property.

(2) A single property-hauling vehicle that has a registered weight of 5,000 pounds or less and is not loaded, in whole or in part, with passengers or property.

Special mobile equipment may not tow a vehicle that is not listed in this section."

Sec. 4. This act becomes effective August 1, 1992.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

S.B. 1262 **CHAPTER 1016**

AN ACT TO MODIFY THE PROCEDURE FOR PROPERTY TAX APPEALS BEFORE THE PROPERTY TAX COMMISSION FROM APPRAISAL AND LISTING DECISIONS, AND TO CHANGE THE AUTHORITY TO APPOINT ONE MEMBER OF THE PROPERTY TAX COMMISSION FROM THE PRESIDENT OF THE SENATE TO THE PRESIDENT PRO TEMPORE OF THE SENATE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-290(b) reads as rewritten:

"(b) Appeals from Appraisal and Listing Decisions. -- The Property Tax Commission shall hear and decide appeals from decisions concerning the listing, appraisal, or assessment of property made by county boards of equalization and review and boards of county commissioners. Any property owner of the county may except to an order of the county board of equalization and review or the board of county commissioners concerning the listing, appraisal, or assessment of property and appeal the order to the Property Tax Commission.

(1) In ~~such~~ these cases, taxpayers and persons having ownership interests in the property subject to taxation may file separate appeals or joint appeals at the election of one or more of the taxpayers. It is the intent of this provision that all owners of a single item of personal property or tract or parcel of real property be allowed to join in one appeal and also that any taxpayer be allowed to include in one appeal all objections timely presented regardless of the fact that the listing or valuation of more than one item of personal property or tract or parcel of real property is the subject of the appeal.

(2) When an appeal is filed, the Property Tax Commission shall provide a hearing before representatives of the Commission or the full Commission as specified in this subdivision.

a. Hearing by Commission Representatives. -- The Commission ~~is empowered to authorize any member or~~ may authorize one or more members of the Commission or ~~employee~~ employees of the Department of Revenue to hear an appeal, to make examinations and investigations, to have made from stenographic notes a full and complete record of the evidence offered at the hearing, and to make recommended findings of fact and conclusions of law. Should the Commission elect to follow this procedure, it shall fix the time and place at which its ~~representative or~~ representatives will hear the appeal and, at least 10 days before the hearing, give written notice ~~thereof~~ of the hearing to the appellant and to the clerk of the board of commissioners of the county from which the appeal is taken. At the hearing the Commission's ~~representative or~~ representatives shall hear all evidence and affidavits offered by the appellant and appellee county and may exercise the authority granted by subsection (d), below, to obtain information pertinent to decision of the appeal. The ~~representative or~~ representatives conducting the hearing shall submit to the Commission and to the appellant and appellee ~~a full record of the proceeding and his or~~ their recommended findings of fact and conclusions of law. Upon the request of any party, the representatives conducting the hearing shall also submit to the Commission and to the appellant and appellee a full record of the proceeding. The cost of providing the full record of the proceeding shall be borne by the party requesting it, unless the Commission determines for good cause that the cost should be borne by the Commission. The Commission shall review the record, the recommended findings of fact and conclusions of law, and any written arguments that may be submitted to the Commission by the appellant or appellee within 15 days following the date on which the findings and conclusions were submitted to the parties and shall take one of the following actions:

1. Accept the recommended findings of fact and conclusions of law and issue an appropriate order as provided in subdivision (b)(3), below.

2. Make new findings of fact or conclusions of law based upon the ~~record~~ materials submitted by the Commission's ~~representative or~~ representatives and issue an appropriate order as provided in subdivision (b)(3), below.
3. Rehear the appeal under the procedure provided in subdivision (b)(2)b, below, with respect to any portion of the record or recommended findings of fact or conclusions of law.

b. Hearing by Full Commission. -- Should the Commission elect not to employ the procedure provided in subdivision (b)(2)a, above, it shall fix a time and place at which the Commission shall hear the appeal and, at least 10 days before the hearing, give written notice ~~thereof~~ of the hearing to the appellant and to the clerk of the board of commissioners of the county from which the appeal is taken. At the hearing the Commission shall hear all evidence and affidavits offered by the appellant and appellee county and may exercise the authority granted by subsection (d), below, to obtain information pertinent to decision of the appeal. The Commission shall make findings of fact and conclusions of law and issue an appropriate order as provided in subdivision (b)(3), below.

(3) On the basis of the findings of fact and conclusions of law made after any hearing provided for by this subsection (b), the Property Tax Commission shall enter an order (incorporating the findings and conclusions) reducing, increasing, or confirming the valuation or valuations appealed or listing or removing from the tax lists the property whose listing has been appealed. A certified copy of the order shall be delivered to the appellant and to the clerk of the board of commissioners of the county from which the appeal was taken, and the abstracts and tax records of the county shall be corrected to reflect the Commission's order."

Sec. 2. G.S. 105-288(a) reads as rewritten:

"(a) Creation and Membership. -- The Property Tax Commission is created. It consists of five members, three of whom are appointed by the Governor and two of whom are appointed by the General Assembly. Of the two appointments by the General Assembly, one shall be made upon the recommendation of the Speaker of the House of Representatives and the other shall be made upon the recommendation of the President Pro Tempore of the Senate. The

terms of the members appointed by the Governor and of the member appointed upon the recommendation of the President Pro Tempore of the Senate are for four years. Of the members appointed for four-year terms, two expire on June 30 of each odd-numbered year. The term of the member appointed upon the recommendation of the Speaker of the House of Representatives is for two years and it expires on June 30 of each odd-numbered year. The General Assembly shall make its appointments in accordance with G.S. 120-121 and shall fill a vacancy in accordance with G.S. 120-122. A vacancy occurs on the Commission when a member resigns, is removed, or dies. The person appointed to fill a vacancy shall serve for the balance of the unexpired term. The Governor may remove any member for misfeasance, malfeasance, or nonfeasance.

The Commission shall have a chair and a vice-chair. The Governor shall designate one of the Commission members as the chair, to serve at the pleasure of the Governor. The members of the Commission shall elect a vice-chair from among its membership. The vice-chair serves until the member's regularly appointed term expires."

Sec. 3. This act becomes effective August 1, 1992. Section 1 of this act applies to appeals pending or filed on or after that date. This act does not affect the current term of the member of the Property Tax Commission appointed by the President of the Senate.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

H.B. 1503 **CHAPTER 1017**

AN ACT TO RESOLVE LEGAL ISSUES BY MAKING CLEAR THAT THE THREE-YEAR WINDOW FOR THE PURCHASE OF CERTAIN CREDITABLE SERVICE BY MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, AND THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM IS AND HAS BEEN IN FULL FORCE AND EFFECT SINCE ENACTMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 128-26(k) reads as rewritten:

"(k) ~~All~~ Notwithstanding any language to the contrary of any provision of this section, or of any repealed provision of this section that was repealed with the inchoate and accrued rights preserved, all repayments and purchases of service credits, allowed under the provisions of this ~~section,~~ section or of any repealed provision of this

section that was repealed with inchoate and accrued rights preserved, must be made within three years after the member first becomes eligible to make such repayments and purchases. Any member who does not repay or purchase service credits within said three years after first eligibility to make such repayments and purchases may, under the same conditions as are otherwise required, repay or purchase service credits provided that the repayment or purchase equals the full cost of the service credits calculated on the basis of the assumptions used for purchases of the actuarial valuation of the System's liabilities and shall take into account the additional retirement allowance arising on account of such additional service credit commencing at the earliest age at which such member could retire on an unreduced retirement allowance as determined by the Board of Trustees upon the advice of the consulting actuary. Notwithstanding the foregoing provisions of this subsection that provide for the purchase of service credits, the terms 'full cost', 'full liability', and 'full actuarial cost' include assumed annual post-retirement allowance increases, as determined by the Board of Trustees, from the earliest age at which a member could retire on an unreduced service allowance."

Sec. 2. G.S. 135-4(m) reads as rewritten:

"(m) ~~All~~ Notwithstanding any language to the contrary of any provision of this section, or of any repealed provision of this section that was repealed with the inchoate and accrued rights preserved, all repayments and purchases of service credits, allowed under the provisions of this ~~section,~~ section or of any repealed provision of this section that was repealed with inchoate and accrued rights preserved, must be made within three years after the member first becomes eligible to make such repayments and purchases. Any member who does not repay or purchase service credits within said three years after first eligibility to make such repayments and purchases may, under the same conditions as are otherwise required, repay or purchase service credits provided that the repayment or purchase equals the full cost of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the system's liabilities and shall take into account the additional retirement allowance arising on account of such additional service credit commencing at the earliest age at which such member could retire on an unreduced retirement allowance as determined by the Board of Trustees upon the advice of the consulting actuary. Notwithstanding the foregoing provisions of this subsection that provide for the purchase of service credits, the terms 'full cost', 'full liability', and 'full actuarial cost' include assumed annual post-retirement allowance increases, as determined by the Board of Trustees, from the earliest age at which a member could retire on an unreduced service allowance."

Sec. 3. This act is effective on and after July 1, 1979.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

S.B. 863 **CHAPTER 1018**

AN ACT TO ESTABLISH A FEE SCHEDULE FOR THE STANDARDS LABORATORY.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 81A of the General Statutes is amended by adding the following new section:

"*§ 81A-11. Fee schedule.*

(a) The following fees apply to all weights that are tested and certified to meet tolerances less stringent than American National Standards Institute/American Society for Testing and Materials (ANSI/ASTM) Standard E617 Class 4. If the weight error exceeds three-fourths of the applicable tolerance, adjustment shall be required without an additional fee. Even if weights are rejected or condemned, fees shall be assessed for the test performed.

Customary	Fee/Unit	Metric	Fee/Unit
0 - 2 lb	$ 2.00	0 - 1 kg	$ 2.00
3 - 10 lb	$ 3.00	2 - 5 kg	$ 3.00
11 - 50 lb	$ 5.00	6 - 30 kg	$ 5.00
51 - 500 lb	$ 10.00	31 - 200 kg	$ 10.00
501 - 1000 lb	$ 15.00	201 - 450 kg	$ 15.00
1001 - 2500 lb	$ 20.00	451 - 1000 kg	$ 20.00
2501 - 5000 lb	$ 25.00	1001 - 2000 kg	$ 25.00

(b) The following fees apply to all weights that are tested and certified to meet ANSI/ASTM Standard E617 Class 4 or NIST Class P tolerances. If the weight error exceeds three-fourths of the applicable tolerance, adjustment shall be required without an additional fee. Even if weights are rejected or condemned, fees shall be assessed for the test performed.

Customary	Fee/Unit	Metric	Fee/Unit
0 - 10 lb	$ 6.00	0 - 5 kg	$ 6.00
11 - 50 lb	$ 10.00	6 - 30 kg	$ 10.00
51 - 500 lb	$ 20.00	31 - 200 kg	$ 20.00
501 - 1000 lb	$ 30.00	201 - 450 kg	$ 30.00
1001 - 2500 lb	$ 40.00	451 - 1000 kg	$ 40.00
2501 - 5000 lb	$ 50.00	1001 - 2000 kg	$ 50.00

(c) The following fees apply to all weights that are calibrated. Calibration means determining actual mass and apparent mass values.

Tolerance testing fees shall be assessed on weights that can only be adjusted to a lower tolerance or are rejected for any reason.

Customary	Fee/Unit	Metric	Fee/Unit
0 - 20 lb	$ 15.00	0 - 10 kg	$ 15.00
21 - 50 lb	$ 30.00	11 - 30 kg	$ 30.00
51 - 1000 lb	$ 50.00	31 - 450 kg	$ 50.00
1001 - 2500 lb	$ 100.00	451 - 1000 kg	$ 100.00
2501 - 5000 lb	$ 150.00	1001 - 2000 kg	$ 150.00

(d) The following fees apply to volumetric flasks, graduates, or test measures.

Customary	Fee/Test Point	Metric	Fee/Test Point
0 - 5 gal	$ 15.00	0 - 20 liters	$ 15.00
Over 5 gal	Add $0.20 per each additional gallon	Over 20 liters	Add $0.05 per each additional liter

(e) The following fees apply to tape measures and rigid rules.

Set Up Fee	$20.00 per instrument
Calibration	$ 5.00 per calibration point

(f) The following fees apply to liquid-in-glass and electronic thermometers.

Set Up Fee	$20.00 / instrument
Calibration	$10.00 / calibration point
Ice Point Test	$ 5.00

(g) Any special tests or weight cleaning shall be billed at the rate of $35.00 per hour prorated to the nearest tenth of an hour, with a minimum charge of $17.50.

(h) If travel is required in connection with the performance of any of these services, the Department shall be reimbursed at the rates provided in G.S. 138-6.

(i) The Department may refuse to accept for testing any weight or measure the Department deems unsuited for its intended use."

Sec. 2. This act is effective October 1, 1992, and applies to fees assessed on or after that date.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

H.B. 1323 **CHAPTER 1019**

AN ACT TO REPLACE THE AUTHORITY OF COUNTIES TO RETAIN THEIR COSTS IN COLLECTING THE STATE'S SHARE OF THE DEED STAMP TAX WITH THE AUTHORITY TO RETAIN A FIXED PERCENTAGE OF THE REVENUE FROM THAT TAX.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-228.30(b) reads as rewritten:

"(b) The register of deeds of each county shall remit the ~~net~~ proceeds of the tax levied by this section to the county finance ~~officer on a monthly basis.~~ officer. The finance officer of each county shall credit one-half of the proceeds to the county's general fund and shall remit the remaining one-half of the proceeds, less the county's allowance for administrative expenses, ~~shall distribute the tax proceeds on a monthly basis as follows: one-half of the net proceeds shall be retained by the county and placed in its general fund and one-half of the net proceeds shall be remitted~~ to the Department of ~~Revenue.~~ Revenue on a quarterly basis. A county may retain two percent (2%) of the amount of tax proceeds allocated for remittance to the Department of Revenue as compensation for the county's cost in collecting and remitting the State's share of the tax. Of the funds remitted to it pursuant to this section, the Department of Revenue shall credit fifteen percent (15%) to the Recreation and Natural Heritage Trust Fund established under G.S. 113-77.7 and the remainder to the General Fund. ~~As used in this subsection, the term "net proceeds" means gross proceeds less the cost to the county of collecting and administering the tax.~~"

Sec. 2. This act is effective upon ratification and applies to taxes collected on or after July 1, 1992.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

H.B. 1386 **CHAPTER 1020**

AN ACT TO PERMIT THE COMMISSIONER OF LABOR TO IMPOSE PENALTIES AGAINST PUBLIC AGENCIES FOR OSHA VIOLATIONS AND TO REQUIRE LOCAL GOVERNMENTAL UNITS TO REPORT OSHA CITATIONS TO THEIR GOVERNING BOARDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 95-148 reads as rewritten:

"*§ 95-148. Safety and health programs of State agencies and local governments.*

It shall be the responsibility of each administrative department, commission, board, division or other agency of the State and of counties, cities, towns and subdivisions of government to establish and maintain an effective and comprehensive occupational safety and health program which is consistent with the standards and regulations promulgated under this Article. The head of each agency shall:

(1) Provide safe and healthful places and conditions of employment, consistent with the standards and regulations promulgated by this Article;
(2) Acquire, maintain, and require the use of safety equipment, personal protective equipment, and devices reasonably necessary to protect employees;
(3) Consult with and encourage employees to cooperate in achieving safe and healthful working conditions;
(4) Keep adequate records of all occupational accidents and illnesses for proper evaluation and corrective action;
(5) Consult with the Commissioner as to the adequacy as to form and content of records kept pursuant to this section;
(6) Make an annual report to the Commissioner with respect to occupational accidents and injuries and the agency's program under this section.

The Commissioner shall transmit annually to the Governor and the General Assembly a report of the activities of the State agency and instrumentalities under this section. If the Commissioner has reason to believe that any local government program or program of any agency of the State is ineffective, he shall, after unsuccessfully seeking by negotiations to abate such failure, include this in his annual report to the Governor and the General Assembly, together with the reasons therefor, and may recommend legislation intended to correct such condition.

The Commissioner shall have access to the records and reports kept and filed by State agencies and instrumentalities pursuant to this section unless such records and reports are required to be kept secret in the interest of national defense, in which case the Commissioner shall have access to such information as will not jeopardize national defense.

~~The Commissioner will not impose civil or criminal penalties against any State agency or political subdivision for violations described and covered by this Article.~~

Employees of any agency or department covered under this section are afforded the same rights and protections as granted employees in the private sector.

This section shall not apply to volunteer fire departments not a part of any municipality.

Any municipality with a population of 10,000 or less may exclude its fire department from the operation of this section by a resolution of the governing body of the municipality, except that the resolution may not exclude those firefighters who are employees of the municipality.

The North Carolina Fire and Rescue Commission shall recommend regulations and standards for fire departments."

Sec. 2. G.S. 95-137(a) reads as rewritten:

"(a) If, upon inspection or investigation, the Director or his authorized representative has reasonable grounds to believe that an employer has not fulfilled his duties as prescribed in this Article, or has violated any standard, regulation, rule or order promulgated under this Article, he shall with reasonable promptness issue a citation to the employer. Each citation shall be in writing and shall describe with particularity the nature of the violation, including a reference to the provisions of the act, standards, rules and regulations, or orders alleged to have been violated. In addition, the citation shall fix a reasonable time for the abatement of the violation. The Director may prescribe procedures for the issuance of a notice in lieu of a citation with respect to de minimus violations which have no direct or immediate relationship to safety or ~~health, and violations of State agencies or political subdivisions thereof~~ health. Each citation or notice in lieu of citation issued under this section, or a copy or copies thereof, shall be prominently posted, as prescribed in regulations issued by the Director, at or near such place a violation referred to in the citation occurred."

Sec. 3. G.S. 95-137(b) is amended by adding a new subdivision to read:

"(6) Each local unit of government shall report each violation for which it is issued a citation to its local governing board at its next public meeting and to its workers compensation insurance carrier or to the risk pool of which it is a member pursuant to Article 23 of Chapter 58 of the General Statutes."

Sec. 4. This act is effective upon ratification and applies to violations occurring on or after that date, except that fines levied pursuant to G.S. 95-138 against units of local government shall be assessed only for violations occurring on or after January 1, 1993.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

H.B. 1394 **CHAPTER 1021**

AN ACT TO PROTECT EMPLOYEES FROM RETALIATORY DISCRIMINATION IN EMPLOYMENT FOR ENGAGING IN PROTECTED ACTIVITIES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 95 of the General Statutes is amended by adding the following new Article to read:

"ARTICLE 21.

"Retaliatory Employment Discrimination.

"§ *95-240. Definitions.*

The following definitions apply in this Article:

(1) 'Person' means any individual, partnership, association, corporation, business trust, legal representative, the State, a city, town, county, municipality, local agency, or other entity of government.

(2) 'Retaliatory action' means the discharge, suspension, demotion, retaliatory relocation of an employee, or other adverse employment action taken against an employee in the terms, conditions, privileges, and benefits of employment.

"§ *95-241. Discrimination prohibited.*

(a) No person shall discriminate or take any retaliatory action against an employee because the employee in good faith does or threatens to do any of the following:

(1) File a claim or complaint, initiate any inquiry, investigation, inspection, proceeding or other action, or testify or provide information to any person with respect to any of the following:

a. Chapter 97 of the General Statutes.

b. Article 2A or Article 16 of this Chapter.

c. Article 2A of Chapter 74 of the General Statutes.

(2) Cause any of the activities listed in subdivision (1) of this subsection to be initiated on an employee's behalf.

(3) Exercise any right on behalf of the employee or any other employee afforded by Article 2A or Article 16 of this Chapter or by Article 2A of Chapter 74 of the General Statutes.

(b) It shall not be a violation of this Article for a person to discharge or take any other unfavorable action with respect to an employee who has engaged in protected activity as set forth under this Article if the person proves by the greater weight of the evidence that it would have taken the same unfavorable action in the absence of the protected activity of the employee.

"§ 95-242. Complaint; investigation; conciliation.

(a) An employee allegedly aggrieved by a violation of G.S. 95-241 may file a written complaint with the Commissioner of Labor alleging the violation. The complaint shall be filed within 180 days of the alleged violation. Within 20 days following receipt of the complaint, the Commissioner shall forward a copy of the complaint to the person alleged to have committed the violation and shall initiate an investigation. If the Commissioner determines after the investigation that there is not reasonable cause to believe that the allegation is true, the Commissioner shall dismiss the complaint, promptly notify the

employee and the respondent, and issue a right-to-sue letter to the employee that will enable the employee to bring a civil action pursuant to G.S. 95-243. If the Commissioner determines after investigation that there is reasonable cause to believe that the allegation is true, the Commissioner shall attempt to eliminate the alleged violation by informal methods of conference, conciliation, and persuasion. The Commissioner shall make a determination as soon as possible and, in any event, not later than 90 days after the filing of the complaint.

(b) If the Commissioner is unable to resolve the alleged violation through the informal procedures, the Commissioner shall notify the parties in writing that conciliation efforts have failed. The Commissioner shall then either file a civil action on behalf of the employee pursuant to G.S. 95-243 or issue a right-to-sue letter to the employee enabling the employee to bring a civil action pursuant to G.S. 95-243.

(c) An employee may make a written request to the Commissioner for a right-to-sue letter after 180 days following the filing of a complaint if the Commissioner has not issued a notice of conciliation failure and has not commenced an action pursuant to G.S. 95-242.

(d) Nothing said or done during the course of these informal procedures may be made public by the Commissioner or used as evidence in a subsequent proceeding under this Article without the written consent of the persons concerned.

"§ *95-243. Civil action.*

(a) An employee who has been issued a right-to-sue letter or the Commissioner of Labor may commence a civil action in the superior court of the county where the violation occurred, where the complainant resides, or where the respondent resides or has his principal place of business.

(b) A civil action under this section shall be commenced by an employee within 90 days of the date upon which the right-to-sue letter was issued or by the Commissioner within 90 days of the date on which the Commissioner notifies the parties in writing that conciliation efforts have failed.

(c) The employee or the Commissioner may seek and the court may award any or all of the following types of relief:

(1) An injunction to enjoin continued violation of this Article.

(2) Reinstatement of the employee to the same position held before the retaliatory action or discrimination or to an equivalent position.

(3) Reinstatement of full fringe benefits and seniority rights.

(4) Compensation for lost wages, lost benefits, and other economic losses that were proximately caused by the retaliatory action or discrimination.

If in an action under this Article the court finds that the employee was injured by a willful violation of G.S. 95-241, the court shall treble the amount awarded under subdivision (4) of this subsection.

The court may award to the plaintiff and assess against the defendant the reasonable costs and expenses, including attorneys' fees, of the plaintiff in bringing an action pursuant to this section. If the court determines that the plaintiff's action is frivolous, it may award to the defendant and assess against the plaintiff the reasonable costs and expenses, including attorneys' fees, of the defendant in defending the action brought pursuant to this section.

(d) Parties to a civil action brought pursuant to this section shall have the right to a jury trial as provided under G.S. 1A-1, Rules of Civil Procedure.

(e) An employee may only bring an action under this section when he has been issued a right-to-sue letter by the Commissioner.

"*§ 95-244. Effect of Article on other rights.*

Nothing in this Article shall be deemed to diminish the rights or remedies of any employee under any collective bargaining agreement, employment contract, other statutory rights or remedies, or at common law."

Sec. 2. G.S. 95-130 reads as rewritten:

"*§ 95-130. Rights and duties of employees.*

Rights and duties of employees shall include but are not limited to the following provisions:

(1) Employees shall comply with occupational safety and health standards and all rules, regulations and orders issued pursuant to this Article which are applicable to their own actions and conduct.

(2) Employees and representatives of employees are entitled to participate in the development of standards by submission of comments on proposed standards, participation in hearings on proposed standards, or by requesting the development of standards on a given issue under G.S. 95-131.

(3) Employees shall be notified by their employer of any application for a temporary order granting the employer a variance from any provision of this Article or standard or regulation promulgated pursuant to this Article.

(4) Employees shall be given the opportunity to participate in any hearing which concerns an application by their employer for a variance from a standard promulgated under this Article.

(5) Any employee who may be adversely affected by a standard or variance issued pursuant to this Article may file a

petition for review with the Commissioner who shall review the matters set forth and alleged in the petition.

(6) Any employee who has been exposed or is being exposed to toxic materials or harmful physical agents in concentrations or at levels in excess of that provided for by any applicable standard shall have a right to file a petition for review with the Commissioner who shall investigate and pass upon same.

(7) Subject to regulations issued pursuant to this Article any employee or authorized representative of employees shall be given the right to request an inspection and to consult with the Commissioner, Director, or their agents, at the time of the physical inspection of any work place as provided by the inspection provision of this Article.

~~(8) No employee shall be discharged or discriminated against because such employee has filed any complaint or instituted or caused to be instituted any proceeding or inspection under or related to this Article or has testified or is about to testify in any such proceeding or because of the exercise by such employee on behalf of himself or others of any right afforded by this Article.~~

~~(9) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of (8) hereinafter mentioned may, within 30 days after such violation occurs, file a complaint with the Commissioner alleging such discrimination. Upon receipt of such complaint, the Commissioner shall cause such investigation to be made as he deems appropriate. If the Commissioner determines that the provisions of the above subdivision have been violated, he shall bring an action against such person in the superior court division of the General Court of Justice in the county wherein the discharge or discrimination occurred. In any such action the superior court shall have jurisdiction, for cause shown to restrain violations of subdivision (8) of this section and order all appropriate relief including rehiring or reinstatement of the employee to his former position with back pay.~~

~~(10) Within 90 days of the receipt of a complaint filed under subdivision (9) above the Commissioner shall notify the complainant of his determination.~~

(11) Any employee or representative of employees who believes that any period of time fixed in the citation given to his employer for correction of a violation is unreasonable has the right to contest such time for correction by filing a

written and signed notice within 20 days from the date the citation is posted within the establishment.

(12) Nothing in this or any other provision of this Article shall be deemed to authorize or require medical examination, immunization, or treatment for those who object thereto on religious grounds, except where such is necessary for the protection of the health or safety of others."

Sec. 3. G.S. 95-25.20 reads as rewritten:

"§ *95-25.20.* ~~*Complainants protected.*~~ *Records.* ~~(a) No employer shall discharge or in any manner discriminate against any employee because the employee files a complaint or participates in any investigation or proceeding under this Article. Any employee who believes that he has been discharged or otherwise discriminated against in violation of this section may, within 60 days after such violation occurs, file a complaint with the Commissioner alleging such discrimination. If the Commissioner determines that the provisions of this section have been violated, he shall bring an action against the employer in the superior court division of the General Court of Justice in the county wherein the discharge or discrimination occurred. In any such action, the superior court shall have jurisdiction, for cause shown, to restrain violations of this section and order all appropriate relief, including rehiring or reinstatement of the employee to his former position with back pay.~~

~~(b)~~ Files and other records relating to investigations and enforcement proceedings pursuant to this Article, or pursuant to Article 21 of this Chapter with respect to Wage and Hour Act violations, shall not be subject to inspection and examination as authorized by G.S. 132-6 while such investigations and proceedings are pending. Nothing under this section shall impede the right to discovery under G.S. 1A-1, Rules of Civil Procedure."

Sec. 4. G.S. 97-6.1 is repealed.

Sec. 5. G.S. 74-24.15 reads as rewritten:

"§ *74-24.15. Rights and duties of miners.*

~~(a)~~ Miners shall comply with all safety and health standards and all rules, regulations, or orders issued pursuant to this Article which are applicable to their own actions and ~~conduct.~~ conduct and shall have the rights afforded under Article 21 of Chapter 95 of the General Statutes.

~~(b) No person shall discharge or in any other way discriminate against or cause to be discharged or discriminated against any miner or any authorized representative of miners by reason of the fact that such miner or representative (i) has notified the Commissioner of any alleged violation or danger, (ii) has filed, instituted, or caused to be filed or instituted any proceeding under this Article, or (iii) has~~

~~testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this Article.~~

~~(c) Any miner or a representative of miners who believes that he has been discharged or otherwise discriminated against by any person in violation of this section may, within 30 days after such violation occurs, apply to the Commissioner for a review of such alleged discharge or discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Commissioner shall cause such investigation to be made as he deems appropriate. Upon receiving the report of such investigation, the Commissioner shall make findings of fact. If he finds that such violation did occur, he shall issue a decision, incorporating an order therein, requiring the person committing such violation to take such affirmative action to abate the violation as the Commissioner deems appropriate, including, but not limited to, the rehiring or reinstatement of the miner or representative of miners to his former position with back pay. If he finds that there was no such violation, he shall issue an order denying the application. Such order shall incorporate the Commissioner's findings therein. An order issued by the Commissioner under this subsection is subject to administrative and judicial review in accordance with Chapter 150B of the General Statutes. Enforcement of a final order or decision issued under this subsection shall be subject to the provisions of G.S. 74-24.12.~~

~~(d) Whenever an order is issued under this section at the request of the applicant, a sum equal to the aggregate amount of all costs and expenses (including attorney's fees) as determined by the Commissioner to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing such violation.~~"

Sec. 6. G.S. 126-86 reads as rewritten:

"§ *126-86. Civil actions for injunctive relief or other remedies.*

Any State employee injured by a violation of G.S. 126-85 may maintain an action in superior court for damages, an injunction, or other remedies provided in this Article against the person or agency who committed the violation within one year after the occurrence of the alleged violation of this ~~Article.~~ Article; provided, however, any claim arising under Article 21 of Chapter 95 of the General Statutes may be maintained pursuant to the provisions of that Article only and may be redressed only by the remedies and relief available under that Article."

Sec. 7. This act becomes effective October 1, 1992, and applies to violations occurring on or after that date.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

S.B. 1100 **CHAPTER 1022**

AN ACT TO AMEND THE LAW REGARDING APPOINTMENTS TO THE BOARD OF COMMISSIONERS OF THE NASH COUNTY HOSPITAL AUTHORITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 131E-18(d) reads as rewritten:

"(d) When a commissioner resigns, is removed from office, completes a term of office, or when there is an increase in the number of commissioners, the remaining commissioners shall submit to the mayor or the ~~chairman of the~~ county board of commissioners a list of nominees for appointment to the commission. The mayor or ~~chairman of the~~ county board of commissioners shall appoint, only from the nominees, the number of commissioners necessary to fill all vacancies. However, the mayor or the ~~chairman of the~~ county board of commissioners may require the commissioners to submit as many additional lists of nominees as ~~he or she~~ they may desire."

Sec. 2. This act shall apply to Nash County only.

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of July, 1992.

S.B. 1032 **CHAPTER 1023**

AN ACT TO PROHIBIT DISCRIMINATION AGAINST ANY PERSON FOR ENGAGING IN THE LAWFUL USE OF ANY LAWFUL PRODUCT DURING NONWORKING HOURS UNRELATED TO EMPLOYMENT.

The General Assembly of North Carolina enacts:

Section 1. Article 3 of Chapter 95 of the General Statutes is amended by adding a new section to read:

"*§ 95-28.2. Discrimination against persons for lawful use of lawful products during nonworking hours prohibited.*

(a) As used in this section, 'employer' means the State and all political subdivisions of the State, public and quasi-public corporations, boards, bureaus, commissions, councils, and private employers with three or more regularly employed employees.

(b) It is an unlawful employment practice for an employer to fail or refuse to hire a prospective employee, or discharge or otherwise

discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the prospective employee or the employee engages in or has engaged in the lawful use of lawful products if the activity occurs off the premises of the employer during nonworking hours and does not adversely affect the employee's job performance or the person's ability to properly fulfill the responsibilities of the position in question or the safety of other employees.

(c) It is not a violation of this section for an employer to do any of the following:

(1) Restrict the lawful use of lawful products by employees during nonworking hours if the restriction relates to a bona fide occupational requirement and is reasonably related to the employment activities. If the restriction reasonably relates to only a particular employee or group of employees, then the restriction may only lawfully apply to them.

(2) Restrict the lawful use of lawful products by employees during nonworking hours if the restriction relates to the fundamental objectives of the organization.

(3) Discharge, discipline, or take any action against an employee because of the employee's failure to comply with the requirements of the employer's substance abuse prevention program or the recommendations of substance abuse prevention counselors employed or retained by the employer.

(d) This section shall not prohibit an employer from offering, imposing, or having in effect a health, disability, or life insurance policy distinguishing between employees for the type or price of coverage based on the use or nonuse of lawful products if each of the following is met:

(1) Differential rates assessed employees reflect actuarially justified differences in the provision of employee benefits.

(2) The employer provides written notice to employees setting forth the differential rates imposed by insurance carriers.

(3) The employer contributes an equal amount to the insurance carrier on behalf of each employee of the employer.

(e) An employee who is discharged or otherwise discriminated against, or a prospective employee who is denied employment in violation of this section, may bring a civil action within one year from the date of the alleged violation against the employer who violates the provisions of subsection (b) of this section and obtain any of the following:

(1) Any wages or benefits lost as a result of the violation;

(2) An order of reinstatement without loss of position, seniority, or benefits; or

(3) An order directing the employer to offer employment to the prospective employee.

(d) The court may award reasonable costs, including court costs and attorneys' fees, to the prevailing party in an action brought pursuant to this section."

Sec. 2. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 1265 **CHAPTER 1024**

AN ACT TO CLARIFY THE EXCLUSION OF NONPUBLIC SCHOOLS FROM THE DAY CARE LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 110-86(3) reads as rewritten:

"(3) Child day care facility. -- Includes any child day care center or child care arrangement which provides day care for more than five children, not including the operator's own school-aged children, under the age of 13 years, on a regular basis of at least once per week for more than four hours but less than 24 hours per day, regardless of the time of day and regardless of whether the same or different children attend. The following are not included: public schools; nonpublic schools ~~whether or not accredited by the State Department of Public Instruction, which regularly and exclusively provide a course of grade school instruction to children who are of public school age;~~ described in Part 2 of Article 39 of Chapter 115C of the General Statutes and accredited by the Southern Association of Colleges and Schools, which regularly provide a course of grade school instruction and which do not provide child day care as defined in subdivision (2) of this section or operate a child day care facility as defined herein for children under five years of age for more than six and one-half hours per day either on or off the school site; summer camps having children in full-time residence; Bible schools conducted during vacation periods; facilities licensed under Article 2 of Chapter 122C of the General Statutes; and cooperative arrangements among parents to provide care for their own children as a convenience rather than for employment.

Child day care facilities are separated by capacity into the following categories which determine applicable requirements and standards as established by the Commission pursuant to G.S. 110-88:

Facility Type
Large Home
Small Center
Medium Center
Large Center

The Commission shall establish the maximum capacity for each of the four categories of facilities."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 1241 **CHAPTER 1025**

AN ACT TO AUTHORIZE THE TOWN OF MOCKSVILLE TO USE ITS MONIES TO FUND A SATELLITE CAMPUS OF DAVIDSON COUNTY COMMUNITY COLLEGE WITHIN DAVIE COUNTY OR THE TOWN OF MOCKSVILLE AND TO AUTHORIZE THE TOWN TO SELL, LEASE, OR OTHERWISE TRANSFER THE PROPERTY FOR USE AS A SATELLITE COMMUNITY COLLEGE FOR EMPLOYMENT TRAINING AND EDUCATION.

The General Assembly of North Carolina enacts:

Section 1. Notwithstanding any other provision of law, the Town of Mocksville may use funds in its General Fund and Water and Sewer Fund for the establishment of a satellite campus of Davidson County Community College, within the Town of Mocksville or Davie County, including but not limited to the acquisition of land and necessary easements, the construction of a facility, and the establishment of infrastructure and utilities appurtenant to the campus. Notwithstanding any other provision of law, the Town of Mocksville may also sell, exchange, lease, or otherwise transfer the campus to the Davie County Board of Commissioners, the board of trustees of Davidson County Community College, or any other entity for use as an employment training and continuing education center.

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 1442 **CHAPTER 1026**

AN ACT TO CORRECT A REFERENCE TO TWO MAPS OF SURRY COUNTY CONCERNING FIRE DISTRICTS.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of Chapter 885, Session Laws of 1991, is amended by deleting "the attached map", and substituting "the map that appears in the Surry County Board of Commissioners minute book for July 27, 1992".

Sec. 2. Section 1 of Chapter 886, Session Laws of 1991, is amended by deleting "the attached map", and substituting "the map that appears in the Surry County Board of Commissioners minute book for July 27, 1992".

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 1113 **CHAPTER 1027**

AN ACT TO AUTHORIZE THE CONSTRUCTION AND FINANCING OF A CAPITAL IMPROVEMENTS PROJECT AT NORTH CAROLINA STATE UNIVERSITY AT RALEIGH.

Whereas, the North Carolina General Assembly on three occasions has endorsed and appropriated money for a sports entertainment center to be built near Carter-Finley Stadium; and

Whereas, the City of Raleigh and the County of Wake have committed $11,000,000 each in joint support of this project; and

Whereas, North Carolina State University has developed private commitments of over $22,000,000 for this project; and

Whereas, on two occasions in the past, the Governor retracted funds appropriated by this General Assembly of over $2,000,000 to balance the budget; and

Whereas, this facility could be a magnet for $50,000,000 to $70,000,000 per year in direct economic benefit for North Carolina; and

Whereas, this facility would be a major addition to the State for attracting new industry; and

Whereas, this facility would be an important resource for maintaining the current quality of life; and

Whereas, this facility represents a hallmark of the cooperative effort and progressive spirit of North Carolina; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is to authorize the construction by North Carolina State University at Raleigh (the "Institution") of a facility to be known as the "Centennial Center," to serve as a regional sports entertainment center that is available for cultural performances, sporting events, and other activities of the Institution or of other entities (the "Centennial Center Project") in the amount of sixty-six million dollars ($66,000,000), and to authorize the financing thereof by the Board of Governors of The University of North Carolina (the "Board of Governors") pursuant to the provisions of Article 21 of Chapter 116 of the General Statutes (the "Enabling Act") from funds available to the Institution from gifts, grants, receipts other than overhead receipts, self-liquidating indebtedness, or other funds, or any combination of funds, but not including funds appropriated from the General Fund of the State. Prior to the execution of construction contracts for the Centennial Center Project, the proposed method of funding must be submitted to the Director of the Budget for review, and no contracts may be executed unless the Director of the Budget approved the proposed method of funding.

Sec. 2. For the purpose of financing the construction of the Centennial Center Project, the Board of Governors may issue, subject to the approval of the Director of the Budget, revenue bonds of The University of North Carolina in accordance with the provisions of the Enabling Act and this act in an amount not to exceed construction costs as stated in Section 1 of this act, plus capitalized interest, and any expenses incidental to financing the Centennial Center Project. No new or additional student fees shall be levied or used for the financing of the Centennial Center Project.

The Board of Governors is also authorized to pledge to the payment of the revenue bonds issued for the Centennial Center Project, in addition to the revenues of the Centennial Center Project and any other lawfully available revenues, including funds appropriated for the Centennial Center Project, available revenues from other self-liquidating projects financed by the Board of Governors under the Enabling Act and operating at the Institution's campus.

The Board of Governors may, for financing purposes, combine the Centennial Center Project with any current or future project, as defined in G.S. 116-189(5), operating at the Institution's campus and pledge the combined revenues of the projects so combined, including the Centennial Center Project, to the payment of bonds issued to finance, or refinance, such projects and the Centennial Center Project. In connection with the financing of the Centennial Center Project, the Board of Governors is further authorized to refinance all or any part

of the bonds issued to finance self-liquidating projects on the Institution's campus at such rate of interest and in such principal amount as the Board of Governors may determine.

Sec. 3. The Director of the Budget may, when in his opinion it is in the best interest of the State to do so, and upon the request of the Board of Governors, authorize a decrease in the scope or a change in the method of funding of the Centennial Center Project. In no event shall appropriations from the General Fund be used for the Centennial Center Project.

Sec. 4. (a) The foregoing sections of this act shall be deemed to provide an additional and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws, and shall not be regarded as in derogation of any powers now existing.

(b) References in this act to specific sections or Chapters of the General Statutes are intended to be references to such sections as they may be amended from time to time by the General Assembly.

(c) This act shall be liberally construed to effect the purposes thereof.

(d) Insofar as the provisions of this act are inconsistent with the provisions of any general laws, or parts thereof, the provisions of this act shall be controlling.

(e) If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 1601 **CHAPTER 1028**

AN ACT TO MAKE CLARIFYING, CONFORMING, AND TECHNICAL AMENDMENTS TO VARIOUS LAWS RELATING TO ENVIRONMENT, HEALTH, AND NATURAL RESOURCES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 143-212 reads as rewritten:

"§ *143-212. ~~Definitions applicable to Article.~~ Definitions.*

~~The~~ Unless a different meaning is required by the context, the following definitions apply to this ~~Article:~~ Article and Articles 21A and 21B of this Chapter:

(1) 'Area of the State' means a municipality, a county, a portion of a county or a municipality, or other substantial geographic area of the State designated by the Commission.
(2) 'Commission' means the North Carolina Environmental Management Commission.
(3) 'Department' means the Department of Environment, Health, and Natural Resources.
(4) 'Person' includes individuals, firms, partnerships, associations, institutions, corporations, municipalities and other political subdivisions, and governmental agencies.
(5) 'Secretary' means the Secretary of Environment, Health, and Natural Resources.
(6) 'Waters' means any stream, river, brook, swamp, lake, sound, tidal estuary, bay, creek, reservoir, waterway, or other body or accumulation of water, whether surface or underground, public or private, or natural or artificial, that is contained in, flows through, or borders upon any portion of this State, including any portion of the Atlantic Ocean over which the State has jurisdiction."

Sec. 2. The catch line to G.S. 143-213 reads as rewritten:

"§ *143-213. ~~Definitions applicable to Article.~~ Definitions."*

Sec. 3. G.S. 143-215.5 reads as rewritten:

"§ *143-215.5. Judicial ~~review of actions under Article.~~ review.*

Article 4 of Chapter 150B of the General Statutes governs judicial review of a final decision of the Secretary or of an order of the Commission under this ~~Article.~~ Article and Articles 21A and 21B of this Chapter. If a case that concerns an action of the Commission under this Article or Article 21A or 21B of this Chapter is appealed from the superior court to the Court of Appeals, no bond shall be required of the Commission."

Sec. 4. G.S. 130A-334(15), as enacted by Chapter 944 of the 1991 Session Laws, 1992 Regular Session, reads as rewritten:

"(15) 'Wastewater system' means a system of wastewater collection, treatment, and ~~disposal~~ disposal, including ~~approved privies,~~ a privy, septic tank ~~systems, connection to~~ system, public or community wastewater ~~systems,~~ system, wastewater reuse or recycle ~~systems,~~ system, mechanical or biological wastewater treatment ~~systems,~~ system, any other ~~such systems, or~~ similar system, and any chemical ~~toilets~~ toilet used only for human waste."

Sec. 5. If House Bill 1656 is not ratified, G.S. 113A-12(2), as enacted by Sections 5 and 7 of Chapter 945 of the 1991 Session Laws (1992 Regular Session), reads as rewritten:

"(2) An action approved under a general permit issued under G.S. 113A-118.1, 143-215.1(b)(3), or ~~143-215.108(b)(8),~~ 143-215.108(c)(8)."

Sec. 6. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 999 **CHAPTER 1029**

AN ACT TO PROVIDE FOR A MEMBER OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE TIME LOST DUE TO INTERRUPTED SERVICE FOR MATERNITY AND PARENTAL LEAVE OR INVOLUNTARY ADMINISTRATIVE FURLOUGH.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4 is amended by adding a new subsection to read:

"(aa) Credit at Full Cost for Maternity Leave. Notwithstanding other provisions of this Chapter, any member in service with five or more years of credited membership service may purchase creditable service for periods of service which were interrupted due to parental leave, pregnancy or childbirth, or involuntary administrative furlough due to a lack of funds to support the position by making a lump sum amount payable to the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the system's liabilities; and the calculation of the amount payable shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees. Creditable service purchased under this subsection may not exceed six months per parental leave, pregnancy or childbirth, or involuntary administrative furlough due to a lack of funds to support the position. Notwithstanding the foregoing provisions of this subsection that provide for the purchase of service credits, the term 'full liability' includes assumed annual postretirement allowance increases, as determined by the Board of Trustees, from the earliest age at which a member could retire on an unreduced service allowance."

Sec. 2. There is appropriated from the trust fund of the Teachers' and State Employees' Retirement System to the Department of State Treasurer the sum of two hundred seventy-one thousand

dollars ($271,000) for the 1992-93 fiscal year to administer the provisions of this act.

Sec. 3. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 1656 **CHAPTER 1030**

AN ACT TO MAKE VARIOUS TECHNICAL AMENDMENTS TO THE GENERAL STATUTES AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION AND TO MAKE TECHNICAL AMENDMENTS TO THE LAW.

The General Assembly of North Carolina enacts:

Section 1. G.S. 1-54.1 reads as rewritten:

"*§ 1-54.1. Nine months.*

Within nine months an action contesting the validity of any zoning ordinance or amendment thereto adopted by a county under Part 3 of Article 18 of Chapter 153A of the General Statutes or other applicable law or adopted by a city under ~~Article~~ Chapter 160A of the General Statutes or other applicable law."

Sec. 2. G.S. 7A-450.1 reads as rewritten:

"*§ 7A-450.1. Responsibility for payment by certain fiduciaries.*

It is the intent of the General Assembly that, whenever possible, if an attorney or guardian ad litem is appointed pursuant to G.S. 7A-451 for a person who is less than 18 years old or who is at least 18 years old but remains dependent on and domiciled with a parent or guardian, the parent, guardian, or any trustee in possession of funds or property for the benefit of the person, shall reimburse the State for the attorney or guardian ad litem fees, pursuant to the procedures established in G.S. 7A-450.2 and G.S. 7A-450.3. This section shall not apply in any case in which the person for whom an attorney or guardian ad litem is appointed prevails."

Sec. 3. G.S. 7A-517(6) reads as rewritten:

"(6) Chief Court Counselor. -- The person responsible for administration and supervision of juvenile intake, probation, and aftercare in each ~~judical~~ judicial district, operating under the supervision of the Administrator for Juvenile Services."

Sec. 4. G.S. 7A-649(7) reads as rewritten:

"(7) Impose confinement on an intermittent basis in an approved detention facility. Confinement shall be limited to not more than five 24-hour periods, the timing of which is determined by the court in its discretion.

~~a., b. Repealed by Session Laws 1991, c. 353, s. 1, effective October 1, 1991.~~

Confinement in ~~either~~ such a case shall be completed within a period of 90 days from the date of disposition;".

Sec. 5. G.S. 14-234(d1) reads as rewritten:

"(d1) The first sentence of subsection (a) shall not apply to (i) any elected official or person appointed to fill an elective office of a village, town, or city having a population of no more than 7,500 according to the most recent official federal census, (ii) any elected official or person appointed to fill an elective office of a county within which there is located no village, town, or city with a population of more than 7,500 according to the most recent official federal census, (iii) any elected official or person appointed to fill an elective office on a city board of education in a city having a population of no more than 7,500 according to the most recent official federal census, (iv) any elected official or person appointed to fill an elective office as a member of a county board of education in a county within which there is located no village, town or city with a population of more than 7,500 according to the most recent official federal census, (v) any physician, pharmacist, dentist, optometrist, veterinarian, or nurse appointed to a county social services board, local health board, or ~~area mental health board~~ area mental health, developmental disabilities, and substance abuse board serving one or more counties within which there is located no village, town, or city with a population of more than 7,500 according to the most recent official federal census, and (vi) any member of the board of directors of a public hospital if:

(1) The undertaking or contract or series of undertakings or contracts between the village, town, city, county, county social services board, county or city board of education, local health board or area mental health, ~~mental retardation,~~ developmental disabilities, and substance abuse board, or public hospital and one of its officials is approved by specific resolution of the governing body adopted in an open and public meeting, and recorded in its minutes and the amount does not exceed ten thousand dollars ($10,000) for medically related services and fifteen thousand dollars ($15,000) for other goods or services within a 12-month period; and

(2) The official entering into the contract or undertaking with the unit or agency does not in his official capacity participate in any way or vote; and

(3) The total annual amount of undertakings or contracts with each official, shall be specifically noted in the audited annual financial statement of the village, town, city, or county; and

(4) The governing board of any village, town, city, county, county social services board, county or city board of education, local health board, area mental health, ~~mental retardation,~~ developmental disabilities, and substance abuse board, or public hospital which undertakes or contracts with any of the officials of their governmental unit shall post in a conspicuous place in its village, town, or city hall, or courthouse, as the case may be, a list of all such officials with whom such undertakings or contracts have been made, briefly describing the subject matter of the undertakings or contracts and showing their total amounts; this list shall cover the preceding 12 months and shall be brought up-to-date at least quarterly."

Sec. 6. G.S. 14-250 reads as rewritten:

"*§ 14-250. Publicly owned vehicle to be marked.*

It shall be the duty of the executive head of every department of the State government, and of any county, or of any institution or agency of the State, to have painted on every motor vehicle owned by the State, or by any county, or by any institution or agency of the State, a statement that such car belongs to the State or to some county, or institution or agency of the State. Provided, however, that no automobile used by any county officer or county official for the purpose of transporting, apprehending or arresting persons charged with violations of the laws of the State of North Carolina, shall be required to be lettered. Provided, further, that in lieu of the above method of marking motor vehicles owned by any agency or department of the State government, it shall be deemed a compliance with the law if such vehicles have imprinted on the license tags thereof, above the license number, the words 'State Owned' and that such vehicles have affixed to the front thereof a plate with the statement 'State Owned'. Provided, further, that in lieu of the above method of marking vehicles owned by any county, it shall be deemed a compliance with the law if such vehicles have painted or affixed on the side thereof a circle not less than eight inches in diameter showing a replica of the seal of such county. Provided, further, that no county-owned motor vehicle used for transporting day or residential facility clients of area mental health, ~~mental retardation,~~ developmental disabilities, and substance abuse authorities established under Article 4 of Chapter 122C of the General Statutes shall be required to be lettered; provided, further, notwithstanding this sentence, each vehicle shall bear the distinctive permanent registration plate pursuant to G.S. 20-84. Provided, further, that in lieu of the above method of marking vehicles owned by the State and permanently assigned to members of the Council of State, it shall be deemed a compliance with the law if such vehicles

have imprinted on the license tags thereof the license number assigned to the appropriate member of the Council of State pursuant to G.S. 20-81(4); a member of the Council of State shall not be assessed any registration fee if he elects to have a State-owned motor vehicle assigned to him designated by his official plate number.

The General Assembly may authorize exemptions from the provisions of this section for each fiscal year. Each agency shall submit requests for private tags to the Division of Motor Fleet Management of the Department of Administration. The Division shall report the requests to the Appropriations Committees of the General Assembly by June 1."

Sec. 7. G.S. 14-277(e) reads as rewritten:

"(e) It shall be unlawful for any person other than duly authorized employees of a county, a municipality or the State of North Carolina, including but not limited to, the Department of Social Services, Health, Area Mental Health, ~~Mental Retardation,~~ Developmental Disabilities, and Substance Abuse Authority or Building Inspector to represent to any person that they are duly authorized employees of a county, a municipality or the State of North Carolina or one of the above-enumerated departments and acting upon such representation to perform any act, make any investigation, seek access to otherwise confidential information, perform any duty of said office, gain access to any place not otherwise open to the public, or seek to be afforded any privilege which would otherwise not be afforded to such person except for such false representation or make any attempt to do any of said enumerated acts. Any person, corporation, or business association violating the provisions of this section shall be guilty of a misdemeanor and upon conviction may be fined or imprisoned at the discretion of the court."

Sec. 8. G.S. 15A-406(a) reads as rewritten:

"(a) For purposes of this section, 'federal law enforcement officer' means any of the following persons who are employed as full-time law enforcement officers by the federal government and who are authorized to carry firearms in the performance of their duties:

(1) United States Secret Service special agents;
(2) Federal Bureau of Investigation special agents;
(3) Bureau of Alcohol, Tobacco and Firearms special agents;
(4) United States Naval Investigative Service special agents;
(5) Drug Enforcement Administration special agents;
(6) United States Customs Service officers;
(7) United States Postal Service inspectors;
(8) Internal Revenue Service special agents;
(9) United States Marshals Service marshals and deputies;
(10) United States Forest Service officers;

(11) National Park Service officers; and

(12) ~~U.S.~~ United States Fish and Wildlife ~~Service.~~ Service officers."

Sec. 9. G.S. 17E-10(b) reads as rewritten:

"(b) The Commission may authorize grants pursuant to this section and consistent with the powers conferred upon the Commission under ~~Section 6 of this Chapter.~~ G.S. 17E-6."

Sec. 10. G.S. 20-7(n) reads as rewritten:

"(n) Every drivers license issued by the Division shall bear thereon the distinguishing number assigned to the licensee and color photograph of the licensee of a size approved by the Commissioner and shall contain the name, age, residence address and a brief description of the licensee, who, for the purpose of identification and as a condition precedent to the validity of the license, immediately upon receipt thereof, shall endorse his or her regular signature in ink upon the same in the space provided for that purpose unless a facsimile of his or her signature appears thereon; provided the requirement that a color photograph of the licensee appear on the license may be waived by the Commissioner upon satisfactory proof that the taking of such photograph violates the religious convictions of the licensee. ~~Drivers'~~ Drivers licenses shall be issued with differing color photographic backgrounds according to the licensee's age at time of issuance for the following age groups:

(1) Persons who have not attained the age of 21 years.

(2) Persons who have attained the age of 21 years.

The Division ~~of Motor Vehicles~~ shall determine the different colors to be used. Such license shall be carried by the licensee at all times while engaged in the operation of a motor vehicle."

Sec. 11. G.S. 20-84 reads as rewritten:

"*§ 20-84. Vehicles owned by State, municipalities or orphanages, etc.; certain vehicles operated by the local chapters of American National Red Cross.*

The Division upon proper proof being filed with it that any motor vehicle for which registration is herein required is owned by the State or any department thereof, or by any county, township, city or town, or by any board of education, or by any orphanage or civil air patrol, or incorporated emergency rescue squad, or incorporated REACT ('Radio Emergency Association of Citizen Teams') Team, or for any motor vehicle involved exclusively in the support of a disaster relief effort, shall collect six dollars ($6.00) for the registration of such motor vehicles, but shall not collect any fee for application for certificate of title in the name of the State or any department thereof, or by any county, township, city or town, or by any board of education or orphanage: Provided, that the term 'owned' shall be

construed to mean that such motor vehicle is the actual property of the State or some department thereof or of the county, township, city or town, or of the board of education, and no motor vehicle which is the property of any officer or employee of any department named herein shall be construed as being 'owned' by such department. Provided, that the above exemptions from registration fees shall also apply to any church-owned bus used exclusively for transporting children and parents to Sunday school and church services and for no other purpose.

In lieu of the annual six dollars ($6.00) registration provided for in this section, the Division may for the license year 1950 and thereafter provide for a permanent registration of the vehicles described in this section and issue permanent registration plates for such vehicles. The permanent registration plates issued pursuant to this paragraph shall be of a distinctive color and shall bear thereon the word 'permanent.' Such plates may be transferred as provided in G.S. 20-78 to a replacement vehicle of the same classification. For the permanent registration and issuance of permanent registration plates provided for in this paragraph, the Division shall collect a fee of six dollars ($6.00) for each vehicle so registered and licensed.

The provisions of this section are hereby made applicable to vehicles owned by a rural fire department, agency or association.

The Division of Motor Vehicles shall issue to the North Carolina Tuberculosis Association, Incorporated, or any local chapter or association of said corporation, for a fee of six dollars ($6.00) for each plate a permanent registration plate which need not be thereafter renewed for each motor vehicle in the form of a mobile X-ray unit which is owned by said North Carolina Tuberculosis Association, Incorporated, or any local chapter or local association thereof and operated exclusively in this State for the purpose of diagnosis, treatment and discovery of tuberculosis. The initial six dollars ($6.00) fee required by this section and for this purpose shall be in full payment of the permanent registration plates issued for such vehicle operated as a mobile X-ray unit, and such plates need not thereafter be renewed, and such plates may be transferred as provided in G.S. 20-78 to replacement vehicles to be used for the purposes above described and for which the plates were originally issued.

The Division of Motor Vehicles shall issue to the American National Red Cross, upon application of any local chapter thereof and payment of a fee of six dollars ($6.00) for each plate, a permanent registration plate, which need not be thereafter renewed, for all disaster vans, bloodmobiles, handivans, and such sedans and station wagons as are used for emergency or disaster work, and operated by a local chapter in this State in the business of the American National

Red Cross. Such plates may be transferred as provided in G.S. 20-78 to a replacement vehicle to be used for the purposes above described and for which the plates were originally issued. In the event of transfer of ownership to any other person, firm or corporation, or transfer or reassignment of any vehicle bearing such registration plate to any chapter or association of the American National Red Cross in any other state, territory or country, the registration plate assigned to such vehicle shall be surrendered to the Division of Motor Vehicles.

In lieu of all other registration requirements, the Commissioner shall each year assign to the State Highway Patrol, upon payment of six dollars ($6.00) per registration plate, a sufficient number of regular registration plates of the same letter prefix and in numerical sequence beginning with number 100 to meet the requirements of the State Highway Patrol for use on Division vehicles assigned to the State Highway Patrol. The commander of the Patrol shall, when such plates are assigned, issue to each member of the State Highway Patrol a registration plate for use upon the Division vehicle assigned to him pursuant to G.S. 20-190 and assign a registration plate to each Division service vehicle operated by the Patrol. An index of such assignments of registration plates shall be kept at each State Highway Patrol radio station and a copy thereof shall be furnished to the registration division of the Division. Information as to the individual assignments of such registration plates shall be made available to the public upon request to the same extent and in the same manner as regular registration information. The commander, when necessary, may reassign registration plates provided that such reassignment shall be made to appear upon the index required herein within 20 days after such reassignment.

The Division of Motor Vehicles shall, upon appropriate certification of financial responsibility, issue to sheltered workshops recognized or approved by the Division of Vocational Rehabilitation Services and to public and nonprofit agencies or organizations which provide transportation for or operate programs subject to and approved in accordance with standards adopted by the Commission ~~on~~ for Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Services of the Department of Human Resources upon application and payment of a fee of six dollars ($6.00) for each plate, a permanent registration plate for vehicles registered to and operated by such agencies. The initial six dollars ($6.00) fee required by this section and for this purpose shall be in full payment of the permanent registration plate issued for such vehicle operated by a sheltered workshop and such plates need not thereafter be renewed, and such plates may be transferred as provided in G.S. 20-78 to a replacement

vehicle to be used by the sheltered workshop designated on the registration card.

On and after January 1, 1972, permanent registration plates used on all vehicles owned by the State of North Carolina or a department thereof shall be of a distinctive color and design which shall be readily distinguishable from all other permanent registration plates issued pursuant to this section or G.S. 20-84.1. For the purpose of carrying out the intent of this paragraph, all vehicles owned by the State of North Carolina or a department thereof in operation as of October 1, 1971, and bearing a permanent registration shall be reregistered during the months of October, November and December, 1971, and upon reregistration, registration plates issued for such vehicles shall be of a distinctive color and design as provided for hereinabove."

Sec. 12. G.S. 20-179.2 reads as rewritten:

"*§ 20-179.2. Alcohol and drug education traffic school programs; guidelines and implementation by Commission for Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Services; approval of Department of Human Resources; fees.*

(a) The Commission for Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Services shall establish standards and guidelines for the curriculum and operation of local alcohol and drug education traffic school programs. The Department shall oversee the development of a statewide system of schools and shall insure that schools are available in all localities of the State as soon as is practicable.

(1) to (4) Recodified as subsections (c) to (f) of this section by Session Laws 1983, c. 435, s. 30.

(b) Repealed by Session Laws 1983, c. 435, s. 30.

(c) A fee of one hundred dollars ($100.00) shall be paid by all persons enrolling in an alcohol and drug education traffic school program established pursuant to this section. That fee must be paid to an official designated for that purpose and at a time and place specified by the Area Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Authority providing the course of instruction in which the person is enrolled, except that if the clerk of court in the county in which the person is convicted agrees to collect the fees, the clerk shall collect all fees for persons convicted in that county. The clerk shall pay the fees collected to the Area Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Authority for the catchment area where the clerk is located regardless of the location where the defendant attends the alcohol and drug education traffic school and that authority shall distribute the funds in accordance with the rules and regulations of the Department. The fee must be paid in full within two weeks from the date school

attendance is ordered as a condition of probation, unless the court, upon a showing of hardship by the person, allows the person additional time to pay the fee. If the person enrolling in the school demonstrates to the satisfaction of the court that ordered him to enroll in the school that he is unable to pay and his inability to pay is not willful, the court may excuse him from paying the fee.

(d) The Department of Human Resources shall have the authority to approve programs to be implemented by Area Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Authorities. Area Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Authorities may subcontract for the delivery of alcohol and drug education traffic school program services. The Department shall have the authority to approve budgets and contracts with public and private governmental and nongovernmental bodies for the operation of such schools.

(d1) The Department of Human Resources may approve programs offered in another state if they are substantially similar to programs approved in this State, and if that state recognizes North Carolina programs for similar purposes. The defendant shall be responsible for the fees at the approved program.

(e) Fees collected under this section and retained by Area Mental Health, ~~Mental Retardation,~~ Developmental Disabilities, and Substance Abuse Authorities shall be placed in a nonreverting fund. That fund must be used, as necessary, for the operation, evaluation and administration of alcohol and drug education traffic school programs; excess funds may only be used to fund other drug or alcohol programs. Area authorities shall remit five percent (5%) of each fee collected to the Department of Human Resources on a monthly basis. Fees received by the Department as required by this section may only be used in supporting, evaluating, and administering alcohol and drug education traffic schools, and any excess funds will revert to the General Fund.

(f) All fees collected by the Area Mental Health, ~~Mental Retardation,~~ Developmental Disabilities, and Substance Abuse Authorities under the authority of this section may not be used in any manner to match other State funds or to be included in any computation for State formula-funded allocations."

Sec. 13. G.S. 25-8-317 reads as rewritten:

"*§ 25-8-317. Creditors' rights.*

(1) Subject to the exceptions in subsections (3) and (4) of this section, no attachment or levy upon a certificated security or any share or other interest represented thereby which is outstanding is valid until the security is actually seized by the officer making the attachment or levy, but a certificated security which has been surrendered to the

issuer may be reached by a creditor by legal process at the issuer's chief executive office in the United States.

(2) An ~~uncertified [uncertificated]~~ uncertificated security registered in the name of the debtor may not be reached by a creditor except by legal process at the issuer's chief executive office in the United States.

(3) The interest of a debtor in a certificated security that is in the possession of a secured party not a financial intermediary or in an uncertificated security registered in the name of a secured party not a financial intermediary (or in the name of a nominee of the secured party) may be reached by a creditor by legal process upon the secured party.

(4) The interest of a debtor in a certificated security that is in the possession of or registered in the name of a financial intermediary or in an uncertificated security registered in the name of a financial intermediary may be reached by a creditor by legal process upon the financial intermediary on whose books the interest of the debtor appears.

(5) Unless otherwise provided by law, a creditor's lien upon the interest of a debtor in a security obtained pursuant to subsection (3) or (4) of this section is not a restraint on the transfer of the security, free of the lien, to a third party for new value; but in the event of a transfer, the lien applies to the proceeds of the transfer in the hands of the secured party or financial intermediary, subject to any claims having priority.

(6) A creditor whose debtor is the owner of a security is entitled to aid from courts of appropriate jurisdiction, by injunction or otherwise, in reaching the security or in satisfying the claim by means allowed at law or in equity in regard to property that cannot readily be reached by ordinary legal process."

Sec. 14. G.S. 47-41.02(a) reads as rewritten:

"(a) The following forms of probate for deeds and other conveyances executed by a corporation shall also be deemed sufficient but shall not exclude other forms of probate ~~with [which]~~ which would be deemed sufficient in law."

Sec. 15. G.S. 49-12.1(d) reads as rewritten:

"(d) The effect of legitimation under this section shall be ~~[the]~~ the same as provided by G.S. 49-11."

Sec. 16. G.S. 63A-9(l) reads as rewritten:

"(l) Bonds and notes and their transfer, including any profit made on ~~the~~ their sale, are exempt from all State, county, and municipal taxation or assessment, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, excluding inheritance and gift taxes. The interest on bonds and notes is not subject to taxation as income, and the bonds and notes are not subject

to taxation when constituting a part of the surplus of any bank, trust company, or other corporation."

Sec. 17. G.S. 66-64 reads as rewritten:

"§ *66-64. Violation a misdemeanor.*

Any person violating the provisions of this Article, including the ~~make~~ making of any false statement in the affidavit required under G.S. 66-62, shall be guilty of a misdemeanor and, upon conviction, be fined or imprisoned, or both, in the discretion of the court."

Sec. 18. G.S. 66-68(b) reads as rewritten:

"(b) If the owner is an individual or a partnership, the certificate must be signed and duly acknowledged by the individual owner, or by each general partner. If the owner is a corporation, it must be signed in the name of the corporation and duly acknowledged as provided by ~~G.S. 47-41.~~ G.S. 47-41.01 or G.S. 47-41.02."

Sec. 19. G.S. 66-224(b) reads as rewritten:

"(b) The contract shall be accompanied by a completed form in duplicate, captioned 'NOTICE OF CANCELLATION', which shall be attached to the contract and easily detachable, and which shall contain in ~~an [at]~~ at least 10-point boldface type the following statement:

'NOTICE OF CANCELLATION

YOU MAY CANCEL THIS CONTRACT, WITHOUT ANY PENALTY OR OBLIGATION, AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE THE CONTRACT IS SIGNED.

IF YOU CANCEL, ANY PAYMENT MADE BY YOU UNDER THIS CONTRACT WILL BE RETURNED WITHIN 10 DAYS FOLLOWING RECEIPT BY THE SELLER OF YOUR CANCELLATION NOTICE.

TO CANCEL THIS CONTRACT, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE, OR ANY OTHER WRITTEN NOTICE, TO

..... (Name of Seller)

AT ..... (Address of Seller)

..... (Place of Business) NOT LATER THAN MIDNIGHT.....(Date).

I HEREBY CANCEL THIS TRANSACTION.

.....

Date Buyer's Signature'.

A copy of the fully completed contract and all other documents the credit repair business requires the consumer to sign shall be given by

the credit repair business to the consumer at the time they are signed."

Sec. 20. G.S. 88-12.1(b) reads as rewritten:

"(b) Temporary employment permits shall be issued by the Board provided that the following conditions are satisfied:

(1) Within six months of having met the classroom hour requirements for registration under this Chapter, the applicant for a temporary employment permit has applied and is qualified to take the Board's examination for registration as an apprentice cosmetologist or registered cosmetologist.

(2) Except as otherwise provided in subparagraph (3) of this section, a permit issued to the qualifying individual for the first time shall be valid for not more than six months from the date that the permit applicant has met the classroom hour requirements for registration as a cosmetologist or apprentice cosmetologist.

(3) If the holder of a temporary employment permit does not pass the examination that he took during the period that the permit was valid or within 30 days of permit expiration, and if at the time the examination results are published the permit has expired or will expire within 30 days of such publication, the permit holder may apply to the Board to have the temporary employment permit extended for a period not to exceed three months from the date of publication by the Board of the results of the examination taken and not passed by the individual, provided that the applicant for a permit extension has applied and is qualified to retake the examination within the same ~~six-month~~ three-month period. A permit shall not be extended more than one time for the same individual."

Sec. 21. G.S. 90-87(3a) reads as rewritten:

"(3a) 'Commission' means the Commission for Mental Health, ~~Mental Retardation~~ Developmental Disabilities, and Substance Abuse Services established under Part 4 of Article 3 of Chapter 143B of the General Statutes."

Sec. 22. G.S. 90-171.37 reads as rewritten:

"*§ 90-171.37. Revocation, suspension, or denial of licensure.*

The Board shall initiate an investigation upon receipt of information about any practice that might violate any provision of this Article or any rule or regulation promulgated by the Board. In accordance with the provisions of Chapter 150B of the General Statutes, the Board may require remedial education, issue a letter of reprimand, restrict, revoke, or suspend any license to practice nursing in North Carolina

or deny any application for licensure if the Board determines that the nurse or applicant:

(1) Has given false information or has withheld material information from the Board in procuring or attempting to procure a license to practice nursing;

(2) Has been convicted of or pleaded guilty or *nolo contendere* to any crime which indicates that the nurse is unfit or incompetent to practice nursing or that the nurse has deceived or defrauded the public;

(3) Has a mental or physical disability or uses any drug to a degree that interferes with his or her fitness to practice nursing;

(4) Engages in conduct that endangers the public health;

(5) Is unfit or incompetent to practice nursing by reason of deliberate or negligent acts or omissions regardless of whether actual injury to the patient is established;

(6) Engages in conduct that deceives, defrauds, or harms the public in the course of professional activities or services; ~~or~~

(7) Has violated any provision of this Article; ~~[or]~~ or

(8) Has willfully violated any rules enacted by the Board.

The Board may take any of the actions specified above in this section when a registered nurse approved to perform medical acts has violated rules governing the performance of medical acts by a registered nurse; provided this shall not interfere with the authority of the Board of Medical Examiners to enforce rules and regulations governing the performance of medical acts by a registered nurse.

The Board may reinstate a revoked license or remove licensure restrictions when it finds that the reasons for revocation or restriction no longer exist and that the nurse or applicant can reasonably be expected to safely and properly practice nursing."

Sec. 23. G.S. 90-394 reads as rewritten:

"*§ 90-394. Duplicate and replacement certificates.*

A certified fee-based pastoral counselor may request that the Board issue a duplicate or replacement certificate for a fee set by the Board not to exceed fifty dollars ($50.00). Upon receipt of the request, a showing of good cause for the issuance of a duplicate ~~[or]~~ or replacement certificate, and payment of the fee, the Board shall issue a duplicate or replacement certificate."

Sec. 24. G.S. 93D-6 reads as rewritten:

"*§ 93D-6. Persons selling in other jurisdictions.*

Whenever the Board determines that another state or jurisdiction has requirements at least equivalent to those in effect pursuant to this Chapter for the fitting and selling of hearing aids, and that such state or jurisdiction has a program at least equivalent to the program for

determining whether applicants pursuant to this Chapter are qualified to sell and fit hearing aids, the Board may issue, but is not compelled to issue, licenses to applicants therefor who hold current, unsuspended and unrevoked certificates or licenses to fit and sell hearing aids in such other state or jurisdiction. No such applicant shall be required to submit to any examination or other procedure required by G.S. 93D-5, but shall be required to pay a an application fee to the Board in an amount set by the Board, not to exceed one hundred fifty dollars ($150.00). Such applicant must have one full year of experience satisfactory to the Board before issuance of the license."

Sec. 25. G.S. 105-164.14(c) reads as rewritten:

"(c) Certain Governmental Entities. Upon receipt of timely applications for refund, the Secretary of Revenue shall make refunds annually to all governmental entities, as hereinafter defined, of sales and use tax paid under this Article, except under G.S. 105-164.4(4a) and G.S. 105-164.4(4c), by said governmental entities on direct purchases of tangible personal property. Sales and use tax liability indirectly incurred by such governmental entities on building materials, supplies, fixtures and equipment which shall become a part of or annexed to any building or structure being erected, altered or repaired which is owned or leased by such governmental entities shall be construed as sales or use tax liability incurred on direct purchases by such governmental entities, and such entities may obtain refunds of such taxes indirectly paid. The refund provisions contained in this subsection shall not apply to any governmental entities not specifically named herein. In order to receive the refund herein provided for, governmental entities shall file a written request for said refund within six months of the close of the fiscal year of the governmental entities seeking said refund, and such request for refund shall be substantiated by such records, receipts and information as the Secretary may require. No refunds shall be made on applications not filed within the time allowed by this section and in such manner as the Secretary may otherwise require. The term 'governmental entities,' for the purposes of this subsection, shall mean all counties, incorporated cities and towns, water and sewer authorities created and existing under the provisions of Chapter 162A of the General Statutes, lake authorities created by a board of county commissioners pursuant to an act of the General Assembly, sanitary districts, regional councils of governments created pursuant to G.S. 160A-470, area mental health, ~~mental retardation,~~ developmental disabilities, and substance abuse authorities (other than single-county area authorities) established pursuant to Article 4 of Chapter 122C of the General Statutes, district health departments, regional planning and economic development commissions created pursuant to G.S. 158-14, regional sports

authorities created pursuant to G.S. 160A-479, regional economic development commissions created pursuant to G.S. 158-8, regional planning commissions created pursuant to G.S. 153A-391, regional solid waste management authorities created pursuant to G.S. 153A-421, metropolitan sewerage districts and metropolitan water districts in this State, the North Carolina Low-Level Radioactive Waste Management Authority created pursuant to Chapter 104G of the General Statutes, the North Carolina Hazardous Waste Management Commission created pursuant to Chapter 130B of the General Statutes, and the Rockingham County Airport Authority. Notwithstanding the foregoing provisions of this subsection, the constituent institutions of The University of North Carolina may obtain in the manner prescribed by this subsection a refund of sales and use tax paid by them on or after January 1, 1992, for tangible personal property acquired by them through the expenditure of contract and grant funds."

Sec. 26. G.S. 106-516.1 reads as rewritten:

"*§ 106-516.1. Carnivals and similar amusements not to operate without permit.*

Every person, firm, or corporation engaged in the business of a carnival company or a show of like kind, including menageries, merry-go-rounds, Ferris wheels, riding devices, circus and similar amusements and enterprises operated and conducted for profit, shall, prior to exhibiting in any county annually staging an agricultural fair, apply to the sheriff of the county in which the exhibit is to be held for a permit to exhibit. The sheriff of the county shall issue a permit without charge: provided, however, that no permit shall be issued if he shall find the requested exhibition date is less than 30 days prior to a regularly advertised agricultural fair and so in conflict with G.S. ~~105-39.~~ 105-37.1(d). Exhibition without a permit from the sheriff of the county in which the exhibition is to be held shall constitute a misdemeanor and be punished by a fine or imprisonment, or both, in the discretion of the court: Provided, that nothing contained in this section shall prevent veterans' organizations and posts chartered by Congress or organized and operated on a statewide or nationwide basis from holding fairs or tobacco festivals on any dates which they may select if such fairs or festivals have heretofore been held as annual events."

Sec. 27. G.S. 115C-116(h) reads as rewritten:

"(h) Decision of the ~~Administration~~ Administrative Law Judge. -- Following the hearing, the administrative law judge shall make a decision regarding the issues set forth in subsection (c). The decision shall contain findings of fact and conclusions of law. Notwithstanding the provisions of Chapter 150B of the General Statutes, the decision of

the administrative law judge becomes final and not subject to further review unless appealed to the Review Officer as provided in subsection (i). A copy of the administrative law judge's decision shall be served upon each party and a copy shall be furnished to the attorneys of record. The written notice shall contain a statement informing the parties of the availability of appeal and the 30-day limitations period for appeal as set forth in subsection (i)."

Sec. 28. G.S. 115C-284(f) reads as rewritten:

"(f) The allotment of classified principals shall be one principal for each duly constituted school with seven or more state-allotted ~~teachers and shall be included in the calculation of the allotment of general teachers set out in G.S. 115C-301(b)(i).~~ teachers."

Sec. 29. G.S. 115C-363.23A(b) reads as rewritten:

"(b) The Commission shall administer the program in cooperation with teacher training institutions selected by the Commission. Teaching Fellows should be exposed to a range of extra-curricular activities while in college. These activities should be geared to ~~installing~~ instilling a strong motivation not only to remain in teaching but to provide leadership for tomorrow's schools."

Sec. 30. G.S. 115C-546.2(c) reads as rewritten:

"(c) Monies in the Fund shall be matched on the basis of one dollar of local funds for every three dollars of State funds. Revenue received from local sales and use taxes that is restricted for public school capital outlay purposes pursuant to G.S. ~~105-502, 105-494,~~ 105-502 or G.S. 105-487 may be used to meet the local matching requirement. Funds expended by a county after July 1, 1986, for land acquisition, engineering fees, architectural fees, or other directly related costs for a public school building capital project that was not completed prior to July 1, 1987, may be used to meet the local match requirement."

Sec. 31. G.S. 116-41.18 reads as rewritten:

"*§ 116-41.18. Distinguished Professors Endowment Trust Fund; selection of Distinguished Professors.*

(a) Each constituent institution that receives, through private gifts and an allocation by the Board of Governors, funds for the purpose shall, under procedures established by rules of the Board of Governors and the board of trustees of the constituent institution, select a holder of the Distinguished Professorship. Once given, that designation shall be retained by the distinguished professor as long as he remains in the full-time service of the institution. When a distinguished professorship becomes vacant, it shall remain assigned to the institution and another distinguished professor shall be selected under procedures established by rules of the Board of Governors and the board of trustees of the constituent institution.

(b) The Board of Governors of The University of North Carolina shall promulgate rules to implement this section.

(c) There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of two million dollars ($2,000,000) for fiscal year 1985-86, and the sum of two million dollars ($2,000,000) for fiscal year 1986-87, to implement this section."

Sec. 32. G.S. 116-143.1(j) reads as rewritten:

"(j) Notwithstanding the **prima facie** evidence of legal residence of an individual derived pursuant to subsection (e), notwithstanding the presumptions of the legal residence of a minor established by common law, and notwithstanding the authority of a judicially determined custody award of a minor, for purposes of this section, the legal residence of a minor whose parents are divorced, separated, or otherwise living apart shall be deemed to be North Carolina for the time period relative to which either parent is entitled to claim and does in fact claim the minor as a dependent ~~pursuant to the North Carolina individual income tax provisions of G.S. 105-149(a)(5),~~ for North Carolina individual income tax purposes. The provisions of this subsection shall pertain only to a minor who is claimed as a dependent by a North Carolina legal resident.

Any person who immediately prior to his or her eighteenth birthday would have been deemed under this subsection a North Carolina legal resident but who achieves majority before enrolling at an institution of higher education shall not lose the benefit of this subsection if that person:

(1) Upon achieving majority, acts, to the extent that the person's degree of actual emancipation permits, in a manner consistent with bona fide legal residence in North Carolina; and

(2) Begins enrollment at an institution of higher education not later than the fall academic term next following completion of education prerequisite to admission at such institution."

Sec. 33. G.S. 120-123 reads as rewritten:

"*§ 120-123. Service by members of the General Assembly on certain boards and commissions.*

No member of the General Assembly may serve on any of the following boards or commissions:

(1) The Board of Agriculture, as established by G.S. 106-2.

(1a) Not effectuated.

(1b) The Administrative Rules Review Commission as established by G.S. 143B-30.1.

(2) The Art Museum Building Commission, as established by G.S. 143B-59.

(3) The Governor's Advocacy Council for Persons with Disabilities, as established by G.S. 143B-403.2.

(3a) The State Banking Commission, as established by G.S. 53-92.

(4) The Board of Public Telecommunications Commissioners, as established by G.S. 143B-426.9.

(5) The Board of Transportation, as established by G.S. 143B-350.

(6) The Board of Trustees Teachers' and State Employees' Retirement System, as established by G.S. 135-6.

~~(6a) The North Carolina Technological Development Authority as created by G.S. 143B-471.~~

(7) The Coastal Resources Commission, as established by G.S. 113A-104.

(8) The Environmental Management Commission, as established by G.S. 143B-283.

(8a) The Genetic Engineering Review Board, as created by G.S. 106-769.

(9) The State Fire and Rescue Commission, as established by G.S. 58-78-1.

(10) The Public Officers and Employees Liability Insurance Commission, as established by G.S. 58-32-1.

(11) Repealed by Session Laws 1983 (Regular Session, 1984), c. 995, s. 4.

(12) Repealed by Session Laws 1987, c. 71, s. 4.

(13) The North Carolina Criminal Justice Education and Training Standards Commission, as established by G.S. 17C-3.

(14) The North Carolina Housing Finance Agency Board of Directors, as established by G.S. 122A-4.

(15) The North Carolina Seafood Industrial Park Authority, as established by G.S. 113-315.25.

(16) Repealed by Session Laws 1985, c. 479, s. 153(b).

(17) The Board of Trustees of the North Carolina School of Science and Mathematics, as established by G.S. 116-233.

(18) The North Carolina Board of Science and Technology, as established by G.S. 143B-426.30.

(19) Repealed by Session Laws 1989, c. 500, s. 107(b).

(20) Repealed by Session Laws 1989 (Reg. Sess., 1990), c. 1024, s. 23(a).

(21) The Board of Trustees of the University of North Carolina Center for Public Television, as established by G.S. 116-37.1.

(22) The Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services, as established by G.S. 143B-147.

(23) The Governor's Waste Management Board, as established by G.S. 143B-285.12.

(24) The North Carolina Alcoholism Research Authority, as established by G.S. 122C-431.

(25) The North Carolina Ports Railway Commission, as established by G.S. 143B-469.

(25a) The North Carolina Air Cargo Airport Authority as established under G.S. 63A-3.

(26) The North Carolina State Ports Authority, as established by G.S. 143B-452.

(27) The Property Tax Commission, as established by G.S. 143B-223.

(28) The Social Services Commission, as established by G.S. 143B-154.

(29) The North Carolina State Commission of Indian Affairs, as established by G.S. 143B-407.

(30) The Wildlife Resources Commission, as established by G.S. 143-240.

(31) The North Carolina Council for Women, as established by G.S. 143B-393.

(32) The Board of Trustees of North Carolina Museum of Art, established by G.S. 140-5.13.

(33) The North Carolina Sheriffs' Education and Training Standards Commission, established by G.S. 17E.

(33a) Repealed by Session Laws 1987, c. 738, s. 41(d).

(34) The Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan, as established by G.S. 143B-426.24.

(34a) Repealed by Session Laws 1989 (Reg. Sess., 1990), c. 1024, s. 23(b).

(34b) The North Carolina Housing Partnership, as established by G.S. 122E-4.

(35) The Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan, as established by G.S. 135-39.

(36) The Milk Commission as established by G.S. 106-266.7.

(37) The State Board of Chiropractic Examiners as established by G.S. 90-139.

(38) The North Carolina Manufactured Housing Board, as established by G.S. 143-143.10.

(39) Repealed by Session Laws 1987, c. 71, s. 4.

(40) The Alarm System Licensing Board, as established by G.S. 74D-4.

(41) Repealed by Session Laws 1985 (Reg. Sess., 1986), c. 1011, s. 2.1(c).

(42) The Crime Victims Compensation Commission, as established by G.S. 15B-3.

(43) The North Carolina ~~Marine Science Council, as established by G.S. 143B-389.~~ Council on Ocean Affairs, as established by G.S. 143B-390.10.

(44) The Child Day-Care Commission, as established by G.S. 143B-168.3.

(45) The North Carolina Medical Database Commission, as established by G.S. 131E-211.

(45a) The North Carolina Teaching Fellows Commission, as established by G.S. 115C-363.22.

(46) The Board of Directors of the North Carolina Arboretum, as established in G.S. 116-240.

(47) The North Carolina Agricultural Finance Authority, as established by G.S. 122D-4.

(48) Reserved for future codification purposes.

(49) The Northeastern North Carolina Farmers Market Commission as established by G.S. 106-720.

(50) The Southeastern North Carolina Farmers Market Commission as established by G.S. 106-727.

(50a) The North Carolina Board of Dietetics/Nutrition as created by Article 25 of Chapter 90 of the General Statutes.

(51) The State Building Commission, as established by G.S. 143-135.25.

(52) The Commission on School Facility Needs, established by G.S. 115C-489.4.

(53) The North Carolina Marine Fisheries Commission as established by G.S. 143B-289.5.

(54) The North Carolina Low-Level Radioactive Waste Management Authority, as established by G.S. 104G-5.

(55) The North Carolina Health Insurance Trust Commission, as established by G.S. 58-68-10.

(56) The North Carolina Hazardous Waste Management Commission, as established by G.S. 130B-6.

(57) The Information Technology Commission, as established by G.S. 143B-426.21.

(58) The Real Estate Appraisal Board of the Real Estate Commission created in G.S. 93A-78."

Sec. 34. G.S. 121-9 reads as rewritten:

"§ *121-9. Historic properties.*

(a) Administration of Properties Acquired by State. -- Historic or archaeological properties acquired by the State for administration by the State of North Carolina shall be under the control and administration of the Department of Cultural Resources. Upon approval of the North Carolina Historical Commission and the Secretary of Cultural Resources, the Department of Cultural Resources may, in its discretion, make a contract with any county or municipality within the State or with any nonprofit corporation or organization for the administration of any portion of such property.

(b) Acquisition of Historic Properties. -- For the purpose of protecting or preserving any property of historical, architectural, archaeological, or other cultural importance to the people of North Carolina, and subject to the provisions of Subchapter II of Chapter 146 of the General Statutes, the Department may, with the approval of the North Carolina Historical Commission, acquire, preserve, restore, hold, maintain, operate, and dispose of such properties, together with such adjacent lands as may be necessary for their protection, preservation, maintenance, and operation. Such property may be real or personal in nature, and in the case of real property, the acquisition may include the fee or any lesser interest therein. Property may be acquired by gift, grant, bequest, devise, lease, purchase, or condemnation pursuant to the provisions of ~~Article 2 of Chapter 40~~ Chapter 40A of the ~~North Carolina~~ General Statutes, or otherwise. Property may be acquired by the Department, using such funds as may be appropriated for the purpose or moneys available to it from any other source.

(c) Interests Which May Be Acquired. -- In the case of real property, the interest acquired shall be limited to that estate, interest, or term deemed by the Department to be reasonably necessary for the continued protection or preservation of the property. The Department may acquire the fee simple title, but where it finds that a lesser interest, including any development right, negative or affirmative easement in gross or appurtenant, covenant, lease, or other contractual right of or to any real property to be the most practical and economical method of protecting and preserving historic property, the lesser interest may be acquired.

(d) Conveyance of Property for Preservation Purposes. -- In appropriate cases, the Department may acquire or dispose of the fee or lesser interest to any such property for the specific purpose of conveying or leasing the property back to its original owner or of conveying or leasing it to such other person, firm, association, corporation, or other organization under such covenants, deed restrictions, lease, or other contractual arrangements as will limit the

future use of the property in such a way as to insure its preservation. Where such action is taken, the property may be conveyed or leased by private sale. In all cases where property is conveyed, it shall be subjected by covenant or otherwise to such rights of access, public visitation, and other conditions or restrictions of operation, maintenance, restoration, and repair as the Department may prescribe, or to such conditions as may be agreed upon between the Department and the grantee or lessee to accomplish the purposes of this section.

(e) Use of Property so Acquired. -- Any historic property acquired, whether in fee or otherwise, may be used, maintained, improved, restored, or operated by the Department for any public purpose within its powers and not inconsistent with the purpose of the continued preservation of the property. The property shall not be subject to condemnation by the State of North Carolina or any of its agencies or political subdivisions at any time, unless such method of acquisition is first approved by the Governor and Council of State.

(f) Emergency Acquisition Where Funds Not Immediately Available. -- If funds or contributions for the acquisition of needed historic property are not available, the Governor and Council of State may, upon the recommendation of the Secretary of Cultural Resources and approval of the North Carolina Historical Commission, allocate from the Contingency and Emergency Fund an amount sufficient to acquire an option on the property or properties, which option shall continue until 90 days after the adjournment sine die of the next General Assembly. Upon recommendation of the Secretary and approval of the Historical Commission, the Governor and Council of State may allocate funds from the Contingency and Emergency Fund for the immediate acquisition, preservation, restoration, or operation of historically, archaeologically, architecturally, or culturally important properties. All funds hereinafter appropriated to purchase, restore, maintain, develop, or operate historic or archaeological or other important property shall be administered subject to the provisions of Article 1 of Chapter 143 of the General Statutes unless the statute making the appropriation shall in specific and express terms provide otherwise.

(g) Power to Acquire Property by Condemnation. -- In the event that a property which has been found by the Department of Cultural Resources to be important for public ownership or assistance is in danger of being sold, used, or neglected to such an extent that its historical or cultural importance will be destroyed or seriously impaired, or that the property is otherwise in danger of destruction or serious impairment, the Department of Cultural Resources, after receiving the approval of the North Carolina Historical Commission and of the Governor and Council of State, may acquire the historic

property or any interest therein by condemnation under the ~~provision of Article 2 of Chapter 40 of the General Statutes of North Carolina,~~ provisions of Chapter 40A of the General Statutes. The Department of Cultural Resources, upon finding that destruction or serious impairment of the value of the property is imminent, shall file with the Governor and Council of State a report on the importance of the property and the desirability of ownership of the property, or the ownership of an interest therein, by the State of North Carolina. Upon giving their approval, the Governor and Council of State shall cause to have filed such approval with the clerk of the superior court in the county or counties where the property is situated. Until the approval is filed, the power of condemnation may not be exercised. All condemnation proceedings shall be instituted and prosecuted in the name of the State of North Carolina.

(h) Preservation and Custodial Care of State Capitol. -- The rotunda, corridors, and stairways of the first floor of the State Capitol and all portions of the second, third, and loft floors of the said building shall be placed in the custody of the Department of Cultural Resources; and the Department shall, subject to the availability of funds for the purpose, care for and administer these areas for the edification of present and future generations. The aforesaid areas shall be preserved as historic shrines and shall be maintained insofar as practicable as they shall appear following the restoration of the Capitol. The Department of Cultural Resources is authorized to deny the use of the legislative chambers for meetings in order that they, with their historic furnishings, may be better preserved for posterity; provided, however, that the General Assembly may hold therein such sessions as it may by resolution deem proper.

The Department of Cultural Resources is hereby entrusted with the responsibilities herein specified as being the agency with the experience best qualified to preserve and administer historic properties in a suitable manner. However, for the purposes of carrying out the provisions of this section, it is hereby directed that such cooperation and assistance shall be made available to the said Department of Cultural Resources and such labor supplied, as may be feasible, by the Department of Administration.

The offices and working areas of the first floor as well as all washrooms and the exterior of the Capitol shall remain under the jurisdiction of the Department of Administration: Provided, however, that the Department of Administration shall seek the advice of the Department of Cultural Resources in matters relating to any alteration, renovation, and furnishing of said offices and areas."

Sec. 35. G.S. 127A-81(c) reads as rewritten:

"(c) The Governor's authority hereunder shall not be subject to regulations prescribed by the Secretary of Defense. Age and membership requirements for the State defense militia generally, as set forth in G.S. 127A-80 shall apply. The training of the cadre need not be in accordance with training regulations issued by the Department of Defense. The provisions of G.S. ~~127-58 [127A-80]~~ 127A-80 (c), (d), (g), (h) and (i) shall also apply to cadres."

Sec. 36. G.S. 131E-51 reads as rewritten:

"*§ 131E-51. Applicability.*

Garnishment of disposable earnings under this Article ~~18~~ is in lieu of any other execution against the property of the debtor. Upon the satisfaction of the judgment or the expiration of the order of garnishment or 60 months from the date of the entry of the order of garnishment, whichever occurs first, the clerk shall mark the judgment paid and satisfied."

Sec. 37. G.S. 131E-184(c) reads as rewritten:

"(c) The Department shall exempt from certificate of need review any conversion of existing acute care beds to psychiatric beds provided:

(1) The hospital proposing the conversion has executed a contract with the Department's Division of Mental Health, ~~Mental Retardation,~~ Developmental Disabilities, and Substance Abuse Services and/or one or more of the Area Mental Health, ~~Mental Retardation,~~ Developmental Disabilities, and Substance Abuse Authorities to provide psychiatric beds to patients referred by the contracting agency or agencies; and

(2) The total number of beds to be converted shall not be more than twice the number of beds for which the contract pursuant to subdivision (1) of this subsection shall provide."

Sec. 38. G.S. 133-23(c) reads as rewritten:

"(c) The term 'subsidiary' ~~is used as defined in G.S. 55-2(9),~~ shall mean a corporation with respect to which another corporation by virtue of its shareholdings alone has legal power, either directly or indirectly through another corporation or series of other corporations, domestic or foreign, to elect a majority of the directors. A corporation is a subsidiary of each such corporation, including any corporation through which this legal power may be indirectly exercised."

Sec. 39. G.S. 136-32 reads as rewritten:

"*§ 136-32. Other than official signs prohibited.*

No unauthorized person shall erect or maintain upon any highway any warning or direction sign, marker, signal or light or imitation of any official sign, marker, signal or light erected under the provisions

of G.S. ~~136-30 and 136-31,~~ 136-30, except in cases of emergency. No person shall erect or maintain upon any highway any traffic or highway sign or signal bearing thereon any commercial advertising: Provided, nothing in this section shall be construed to prohibit the erection or maintenance of signs, markers, or signals bearing thereon the name of an organization authorized to erect the same by the Department of Transportation or by any local authority referred to in G.S. 136-31. Any person who shall violate any of the provisions of this section shall be guilty of a misdemeanor and punished in the discretion of the court. The Department of Transportation may remove any signs erected without authority."

Sec. 40. G.S. 136-32.1 reads as rewritten:

"*§ 136-32.1. Misleading signs prohibited.*

No person shall erect or maintain within 100 feet of any highway right-of-way any warning or direction sign or marker of the same shape, design, color and size of any official highway sign or marker erected under the provisions of G.S. ~~136-30 and 136-31,~~ 136-30, or otherwise so similar to an official sign or marker as to appear to be an official highway sign or marker. Any person who violates any of the provisions of this section is guilty of a misdemeanor and shall be punished by a fine or imprisonment, or both, in the discretion of the court."

Sec. 41. G.S. 136-33 reads as rewritten:

"*§ 136-33. Damaging or removing signs; rewards.*

(a) No person shall willfully deface, damage, knock down or remove any sign posted as provided in G.S. ~~136-26, 136-30, or 136-31,~~ 136-26 or G.S. 136-30.

(b) No person, without just cause or excuse, shall have in his possession any highway sign as provided in G.S. ~~136-26, 136-30, or 136-31,~~ 136-26 or G.S. 136-30.

(b1) Any person violating the provisions of this section shall be guilty of a misdemeanor punishable by a fine of not more than five hundred dollars ($500.00) or imprisonment for not more than six months, or both, in the discretion of the court.

(c) The Department of Transportation is authorized to offer a reward not to exceed five hundred dollars ($500.00) for information leading to the arrest and conviction of persons who violate the provisions of this section, such reward to be paid from funds of the Department of Transportation.

(d) The enforcement of this section shall be the specific responsibility and duty of the State Highway Patrol in addition to all other law-enforcement agencies and officers within this State."

Sec. 42. G.S. 143-318.14A(a) reads as rewritten:

"(a) Except as provided in subsection ~~(c)~~ (e) below, all official meetings of commissions, committees, and standing subcommittees of the General Assembly (including, without limitation, joint committees and study committees), shall be held in open session. For the purpose of this section, the following also shall be considered to be 'commissions, committees, and standing subcommittees of the General Assembly':

(1) The Legislative Research Commission;
(2) The Legislative Services Commission;
(3) The Advisory Budget Commission;
(4) The Joint Legislative Utility Review Committee;
(5) The Joint Legislative Commission on Governmental Operations;
(6) The Joint Legislative Commission on Municipal Incorporations;
(7) The Commission on the Family;
(8) The Joint Select Committee on Low-Level Radioactive Waste;
(9) The Environmental Review Commission;
(10) The Joint Legislative Highway Oversight Committee;
(11) The Joint Legislative Education Oversight Committee;
(12) The Joint Legislative Commission on Future Strategies for North Carolina;
(13) The Commission on Children with Special Needs;
(14) The Legislative Committee on New Licensing Boards;
(15) The Commission on Agriculture, Forestry, and Seafood Awareness;
(16) The North Carolina Study Commission on Aging; and
(17) The standing Committees on Pensions and Retirement."

Sec. 43. The heading of Part 3 of Article 1 of Chapter 143B reads as rewritten:

"Part 3. ~~Administrative~~ Rules Review Commission."

Sec. 44. G.S. 143B-163(d) reads as rewritten:

"(d) All State boards, commissions, agencies, divisions, departments, schools, corporations, or other State-administered associations or entities including the secretary, director and members of said State boards, agencies, departments, et cetera, which supervise, administer or control any program for or affecting the citizens of the State of North Carolina who are now or will become visually handicapped or impaired shall inform the Consumer and Advocacy Advisory Committee for the Blind of any proposed change in policy, program, budget, rule, or regulation which will affect the citizens of North Carolina who are now or will become visually handicapped or impaired. Said board, commission, et cetera, shall

allow the Consumer and Advocacy Advisory Committee for the Blind, prior to passage, unless such change is made pursuant to G.S. ~~150B-13,~~ 150B-21.1, an opportunity to object to the change and present information and proposals on behalf of the citizens of North Carolina who are now or will become visually handicapped or impaired. This subsection shall also apply to all sight conservation programs of the State of North Carolina."

Sec. 45. Part 6 of Article 8 of Chapter 143B of the General Statutes is repealed.

Sec. 46. G.S. 150B-1(e) reads as rewritten:

"(e) Exemptions From Contested Case Provisions. -- The contested case provisions of this Chapter apply to all agencies and all proceedings not expressly exempted from the Chapter. The contested case provisions of this Chapter do not apply to the following:

(1) The Department of Human Resources and the Department of Environment, Health, and Natural Resources in complying with the procedural safeguards mandated by Section 680 of Part H of Public Law 99-457 as amended (Education of the Handicapped Act Amendments of 1986).

(2) The Governor's Waste Management Board in administering the provisions of G.S. 104E-6.2 and G.S. 130A-293.

(3) The North Carolina Low-Level Radioactive Waste Management Authority in administering the provisions of G.S. 104G-9, 104G-10, and 104G-11.

(4) The North Carolina Hazardous Waste Management Commission in administering the provisions of G.S. 130B-11, 130B-13, and 130B-14.

(5) Hearings required pursuant to the Rehabilitation Act of 1973, (Public Law 93-122), as amended and federal regulations promulgated thereunder. G.S. 150B-51(a) is considered a contested case hearing provision that does not apply to these hearings.

(6) The Department of Revenue.

(7) The Department of Correction.

(8) The Department of Transportation, except as provided in G.S. 136-29.

(9) The Occupational Safety and Health Review Board in all actions that do not involve agricultural employers.

(10) The North Carolina Air Cargo Airport Authority with respect ~~to~~ to the acquisition, construction, operation, or use, including fees or charges, of any portion of a cargo airport complex."

Sec. 47. G.S. 153A-77.1 reads as rewritten:

"*§ 153A-77.1. Single portal of entry.*

A county may develop for human services a single portal of entry, a consolidated case management system, and a common data base: provided that if the county is part of a district health department or a multi-county area mental health, ~~mental retardation,~~ developmental disabilities, and substance abuse authority, such action must be approved by the district board of health or the area mental health, ~~mental retardation,~~ developmental disabilities, and substance abuse board to affect any matter within the jurisdiction of that board. Nothing in this section shall be construed to abrogate a patient's right to confidentiality as provided by law."

Sec. 48. G.S. 160A-58.28 reads as rewritten:

"*§ 160A-58.28. Effect on prior local acts.*

This Part does not ~~effect~~ affect Chapter 953, Session Laws of 1983, Chapter 847, Session Laws of 1985 (1986 Reg. Sess.), or Chapters 204, 233, or 1009, Session Laws of 1987, authorizing annexation agreements, but any city which is authorized to enter into agreements by one of those acts may enter into future agreements either under such act or this Part."

Sec. 49. G.S. 161-10(a) reads as rewritten:

"(a) Except as provided in G.S. 161-11.1 or G.S. 161-11.2, all fees collected under this section shall be deposited into the county general fund. In the performance of his duties, the register of deeds shall collect the following fees which shall be uniform throughout the State:

(1) Instruments in General. -- For registering or filing any instrument for which no other provision is made by this section, whether written, printed, or typewritten, the fee shall be five dollars ($5.00) for the first page, which page shall not exceed 8 1/2 inches by 14 inches, plus two dollars ($2.00), for each additional page or fraction thereof. A page exceeding 8 1/2 inches by 14 inches shall be considered two pages.

When a document is presented for registration that consists of multiple instruments, the fee shall be ten dollars ($10.00) for each additional instrument. A document consists of multiple instruments when it contains two or more instruments with different legal consequences or intent, each of which is separately executed and acknowledged and could be recorded alone.

(2) Marriage Licenses. -- For issuing a license -- forty dollars ($40.00); for issuing a delayed certificate with one certified copy -- five dollars ($5.00); and for a proceeding for correction of names in application, license or certificate, with one certified copy -- five dollars ($5.00).

(3) Plats. -- For each original or revised plat recorded -- nineteen dollars ($19.00); for furnishing a certified copy of a plat -- three dollars ($3.00).

(4) Right-of-Way Plans. -- For each original or amended plan and profile sheet recorded -- five dollars ($5.00). This fee is to be collected from the Board of Transportation.

(5) Registration of Birth Certificate One Year or More after Birth. -- For preparation of necessary papers when birth to be registered in another county -- five dollars ($5.00); for registration when necessary papers prepared in another county, with one certified copy -- five dollars ($5.00); for preparation of necessary papers and registration in the same county, with one certified copy -- ten dollars ($10.00).

(6) Amendment of Birth or Death Record. -- For preparation of amendment and affecting correction -- two dollars ($2.00).

(7) Legitimations. -- For preparation of all documents concerned with legitimations -- seven dollars ($7.00).

(8) Certified Copies of Birth and Death Certificates and Marriage Licenses. -- For furnishing a certified copy of a death or birth certificate or marriage license -- three dollars ($3.00). Provided however, a Register of Deeds may issue without charge a certified Birth Certificate to any person over the age of 62 years.

(9) Certified Copies. -- For furnishing a certified copy of an instrument for which no other provision is made by this section -- three dollars ($3.00) for the first page, plus one dollar ($1.00) for each additional page or fraction thereof.

(10) Comparing Copy for Certification. -- For comparing and certifying a copy of any instrument filed for registration, when the copy is furnished by the party filing the instrument for registration and at the time of filing thereof -- two dollars ($2.00).

(11) Uncertified Copies. -- When, as a convenience to the public, the register of deeds supplies uncertified copies of instruments, or index pages, he may charge fees that in his discretion bear a reasonable relation to the quality of copies supplied and the cost of purchasing and maintaining copying and/or computer equipment. These fees may be changed from time to time, but the amount of these fees shall at all times be prominently posted in his office.

(12) Notarial acts. -- For taking an acknowledgment, oath, or affirmation or performing any other notarial act -- the maximum fee set in G.S. 10A-10. This fee shall not be

charged if the act is performed as a part of one of the services for which a fee is provided by this subsection; except that this fee shall be charged in addition to the fees for registering, filing, or recording instruments or plats as provided by subdivisions (1) and (3) of this subsection.

(13) Uniform Commercial Code. -- Such fees as are provided for in Chapter 25, Article 9, Part 4, of the General Statutes.

(14) Torrens Registration. -- Such fees as are provided in G.S. 43-5.

(15) Master Forms. -- Such fees as are provided for instruments in general.

(16) Probate. -- For certification of instruments for registration as provided in G.S. 47-14 -- one dollar ($1.00).

(17) Qualification of Notary Public. -- For administering the oaths of office to a notary public and making the appropriate record entries as provided in ~~G.S. 10-2~~ G.S. 10A-8 -- five dollars ($5.00).

(18) Reinstatement of Articles of Incorporation. -- For filing reinstatements of Articles of Incorporation prepared pursuant to G.S. 105-232; such fees as provided for instruments in general. The fee shall be paid by the corporation affected."

Sec. 50. Section 7.3 of Chapter 759 of the 1991 Session Laws reads as rewritten:

"Sec. 7.3. Section 18 of Chapter ~~714~~ 756 of the 1991 Session Laws is amended by deleting the word 'Rowan' and substituting the word 'Davidson'."

Sec. 51. Section 7.4 of Chapter 759 of the 1991 Session Laws reads as rewritten:

"Sec. 7.4. Section 20 of Chapter ~~714~~ 756 of the 1991 Session Laws is amended by deleting the phrase 'C.' and substituting the phrase 'G.'."

Sec. 51.1. G.S. 128-27(e)(3a), as amended by Section 1 of Chapter 766 of the 1991 Session Laws, Regular Session 1992, reads as rewritten:

"(3a) Notwithstanding the foregoing, should a beneficiary who retired on a disability retirement allowance be restored to service as an employee, then the retirement allowance shall cease as of the first day of the month following the month in which the beneficiary is restored to service and the beneficiary shall become a member of the Retirement System and shall contribute thereafter as allowed by law at the uniform contribution payable by all members. Upon

the subsequent retirement of the beneficiary, he shall be entitled to an allowance to which he would have been entitled if he were retiring for the first time, calculated on the basis of his total creditable service represented by the sum of his creditable service at the time of his first retirement and his creditable service after he was restored to service. Provided, however, any election of an optional allowance cannot be changed unless the member subsequently completes three years of membership service after being restored to service."

Sec. 51.2. Section 5 of Chapter 767 of the 1991 Session Laws, Regular Session 1992, reads as rewritten:

"Sec. 5. ~~Sections 1 and 2 of this act are effective upon ratification.~~ Section 3 of this act becomes effective July 1, 1981. The remainder of this act is effective upon ratification."

Sec. 51.3. Section 12 of Chapter 802 of the 1991 Session Laws, Regular Session 1992, reads as rewritten:

"Sec. 12. Article 3 of Chapter 97 of the General Statutes, G.S. ~~97-106~~ 97-105 to G.S. 97-122, is repealed."

Sec. 51.4. Section 1 of Chapter 827 of the 1991 Session Laws, Regular Session 1992, is amended by deleting the phrase "~~annual cumulative~~" and substituting the phrase "~~cumulative annual~~" in the last sentence of that section.

Sec. 51.5. G.S. 85B-4(g), as amended by Chapter 819 of the 1991 Session Laws, 1992 Regular Session, is amended by deleting the phrase "renew auction firm license" and substituting the phrase "renew an auction firm license,".

Sec. 51.6. Subdivision (5)a. of Section 50 of Title VIII of Chapter 926 of the 1947 Session Laws, as amended by Section 1 of Chapter 830 of the 1991 Session Laws, reads as rewritten:

"a. The diversification of the investments of the ~~System;~~ System;"

Sec. 51.7. Section 10 of Chapter 869 of the 1991 Session Laws, Regular Session 1992, reads as rewritten:

"~~Section 10. Effective upon ratifaction~~ Sec. 10. This act is effective upon ratification."

Sec. 51.8. G.S. 47-100 reads as rewritten:

"*§ 47-100. Acknowledgments taken by officer who was grantor.*

In all cases where a deed or deeds dated prior to the first day of January, ~~1951,~~ 1980, purporting to convey lands, have been registered in the office of the register of deeds of the county where the lands conveyed in said deed or deeds are located, prior to said first day of January, ~~1951,~~ 1980, and the acknowledgments or proof of execution of such deed or deeds has been taken as to some of the

grantors by an officer who was himself one of the grantors named in such deed or deeds, such defective execution, acknowledgment and proof of execution and probate of such deed or deeds thereon and the registration thereof as above described, shall be, and the same are hereby declared to be in all respects valid, and such deed or deeds shall be declared to be in all respects duly executed, probated and recorded to the same effect as if such officer taking such proof or acknowledgment of execution had not been named as a grantor therein, or in anywise interested therein."

Sec. 51.9. G.S. 120-47.6(a) reads as rewritten:

"(a) Each lobbyist shall file an expense report with the Secretary of State with respect to each principal within 60 days after the last day of the regular session. This expense report shall include all expenditures made between January 1 and the last day of the regular session. The lobbyist shall file a supplemental report including all expenditures made after the last day of the regular session, but during the calendar year, by February 28 of the following year. The lobbyist shall file both expense reports whether or not expenditures are made."

Sec. 51.10. G.S. 120-47.7(a) reads as rewritten:

"(a) Each lobbyist's principal shall file an expense report with the Secretary of State within 60 days after the last day of the regular session. This expense report shall include all expenditures made between January 1 and the last day of the regular session. The principal shall file a supplemental expense report, including all expenditures made after the last day of the regular session, but during the calendar year, by February 28 of the following year. The principal shall file both expense reports whether or not expenditures are made during a reporting period."

Sec. 51.11. G.S. 54-109.82(7) reads as rewritten:

"(7) In an aggregate amount not to exceed twenty-five percent (25%) of the allocations to the reserve fund in any agency or association of the type described in subdivision (2) of this section provided the purposes of ~~any such~~ the agency or association are designed to assist in establishing and maintaining liquidity, solvency, and security in credit union operations."

Sec. 51.12. Section 1 of Chapter 904, Session Laws of 1991, is amended by adding a double quotation mark at the end. Section 2 of that Chapter is amended by adding a double quotation mark at the beginning of the second line of the section.

Sec. 51.13. (a) Section 1(2) of Chapter 870, Session Laws of 1991 is amended by deleting "Bunnlevel Rural Fire Insurance District" and substituting "Bunnlevel Rural Fire District".

(b) The title of Chapter 870 of the 1991 Session Laws is amended by deleting "BUNNLEVEL RURAL FIRE INSURANCE DISTRICT" and substituting "BUNNLEVEL RURAL FIRE DISTRICT".

Sec. 51.14. (a) Section 14(h) of Chapter 900 of the 1991 Session Laws reads as rewritten:

"(h) Subsections (a), (f), and (g) of this section become effective on September 1, 1992, except that appointments to the Information Resources Management Commission may be made by the General Assembly at any time after ratification of this act. The remainder of this section becomes effective July ~~1,~~ 15, 1992."

(b) Section 14(i) of Chapter 900 of the 1991 Session Laws is repealed.

(c) This section becomes effective July 14, 1992.

Sec. 51.15. G.S. 113A-12(2), as enacted by Sections 5 and 7 of Chapter 945 of the 1991 Session Laws (1992 Regular Session), reads as rewritten:

"(2) An action approved under a general permit issued under G.S. 113A-118.1, 143-215.1(b)(3), or ~~143-215.108(b)(8),~~ 143-215.108(c)(8)."

Sec. 51.16. The General Statutes Commission will study the requirements of G.S. 47-30(m) and G.S. 89C-26 to determine whether it is possible to provide for a photographic copy of a map to be attached to a deed or other instrument without requiring an original personal signature and original seal as approved by the North Carolina State Board of Registration for Professional Engineers and Land Surveyors, while still protecting the public and assuring that maps have not been altered prior to submission for recording. The General Statutes Commission shall report its findings and recommendations to the 1993 General Assembly and shall submit its report not later than January 31, 1993 to the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

Sec. 52. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 182 **CHAPTER 1031**

AN ACT RECOMMENDED BY THE JUVENILE LAW STUDY COMMISSION TO ELIMINATE APPEALS TO SUPERIOR COURT UNDER THE PARENTAL CONTROL ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 110-44.4 reads as rewritten:

"§ *110-44.4. Enforcement.*

The provisions of this Article may be enforced by the parent, guardian, or person standing *in loco parentis* to the child by filing a civil action in the district court of the county where the child can be ~~found.~~ found or the county of the plaintiff's residence. Upon the institution of such action by a verified complaint, alleging that the defendant child has left home or has left the place where he has been residing and refuses to return and comply with the direction and control of the plaintiff, the court may issue an order directing the child personally to appear before the court at a specified time to be heard in answer to the allegations of the plaintiff and to comply with further orders of the court. Such orders shall be served by the sheriff upon the child and upon any other person named as a party defendant in such action. At the time of the issuance of the order directing the child to appear the court may in the same order, or by separate order, order the sheriff to enter any house, building, structure or conveyance for the purpose of searching for said child and serving said order and for the purpose of taking custody of the person of said child in order to bring said child before the court. Any order issued at said hearing shall be treated as a mandatory injunction and shall remain in full force and effect until the child reaches the age of 18, or until further orders of the court. Within 30 days after the hearing on the original order, the child, or anyone acting in his behalf, may file a verified answer to the complaint. Upon the filing of an answer by or on behalf of said child, any district court judge holding court in the county or district court district as defined in G.S. 7A-133 where said action was instituted shall have jurisdiction to hear the matter, without a jury, and to make findings of fact, conclusions of law, and render judgment thereon. ~~Any aggrieved party may within the time allowed for appeal of civil actions generally appeal to the superior court where trial shall be had without a jury.~~ Appeals from the ~~superior~~ district court to the Court of Appeals shall be allowed as in civil actions generally. The district judge issuing the original order or the district judge hearing the matter after answer has been filed shall also have authority to order that any person named defendant in the order or judgment shall not harbor, keep, or allow the defendant child to remain on said person's premises or in said person's home. Failure of any defendant to comply with the terms of said order or judgment shall be punishable as for contempt."

Sec. 2. This act becomes effective October 1, 1992, and applies to actions initiated on and after that date.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 1408 **CHAPTER 1032**

AN ACT TO IMPROVE VOTER PARTICIPATION AND TO MAKE CHANGES IN CAMPAIGN REPORTING LAWS.

The General Assembly of North Carolina enacts:

Part 1 -- THREE-WEEK REGISTRATION DEADLINE

Section 1. G.S. 163-67 reads as rewritten:

"(a) The county boards of elections shall establish, prior to January 1, 1971, a full-time system of registration, as prescribed by the State Board of Elections, under which the registration books, process, and records shall be open continuously for the acceptance of registration applications and for the registration of voters at all reasonable hours and time consistent with the daily function of all other county offices. In such counties no registration shall entitle a registrant to vote in any primary, general or special election unless the registrant shall have made application not later than the ~~twenty-first~~ sixteenth day, excluding Saturdays and Sundays, immediately preceding such primary, general or special election, provided that nothing shall prohibit registrants from registering to vote in future elections during such period.

When full-time registration has been established in a county, the official record of registration shall be made and kept in the form of an application to register which, as prescribed by the State Board of Elections, shall contain all information necessary to show the applicant's qualifications to register. In such a county, no person shall be registered to vote without first making a written, sworn, and signed application to register upon the form prescribed by the State Board of Elections. If the applicant cannot write because of physical disability, his name shall be written on the application for him by the election official to whom he makes application, but the specific reason for the applicant's failure to sign shall be clearly stated upon the face of the application.

Registrars, judges of election, and special registration commissioners appointed under the provisions of G.S. 163-41 may take registration applications from and administer registration oaths to qualified applicants without regard to the precinct residence of the registrar, judge of election, special registration commissioner, or applicant.

Applications to register which have been completed by persons who have taken the required oath shall be forwarded promptly, and in no case more than 72 hours after the close of registration, to the county board of elections. Failure to forward the application within 72 hours shall not disqualify an otherwise properly qualified voter from voting.

An application to register shall constitute a valid registration unless the county board of elections shall notify the applicant of its rejection within 30 days after its completion: provided that where the application is completed during the last 51 days prior to the election but at least ~~21~~ 16 days, excluding Saturdays and Sundays, prior to the election, the notification of rejection shall be made no less than ~~14~~ seven days prior to the election or the application shall constitute a valid registration. If the application is rejected after the close of the registration books as provided in G.S. 163-67(a) the board shall notify the applicant at least ~~14~~ seven days before the election that it has rejected his application. The applicant may appear before the board and, if he establishes his qualifications to register prior to the election, he shall be permitted to vote. The loose-leaf binders containing the precinct records and the duplicate registration record, required by G.S. 163-65(a), shall be kept at all times in a safe place.

For the purpose of receiving registration applications, registrars shall attend the voting places in their precincts only on such days and at such hours as may be fixed by the county board of elections: Provided, the county board of elections shall not require registrars to be present at the voting places for this purpose on any day later than the ~~twenty-first~~ sixteenth day, excluding Saturdays and Sundays, prior to a primary or election. In its discretion, the county board of elections may require no attendance by registrars at the voting places for the purpose of receiving registration applications.

The county board of elections is authorized to make reasonable rules and regulations, not inconsistent with law and State Board regulations, to insure full-time registration as provided in this section."

Sec. 2. G.S. 163-69.1(b) reads as rewritten:

"(b) A voter whose name has been changed shall report such change of name to an official authorized to register voters under G.S. 163-80 no later than the ~~twenty-first day (excluding Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67 prior to an election, primary, or special election in order to vote in said election if the name change occurred on or before that date. Alternatively, the voter may report such change to the registrar at the polls, and, if otherwise eligible, may vote. A voter wishing to vote by absentee ballot may report the name change to the county board of elections, by mail or in person, along with that voter's application for absentee ballot; and if otherwise eligible, may vote.

Any report made under this section shall be made under oath, and on a form prescribed by the county board of elections. A name-change form shall be included in any mailing to a voter of an absentee ballot application form."

Sec. 3. G.S. 163-72.2(e) reads as rewritten:

"(e) No report filed under this section shall be effective for a primary or election unless received by the board of elections on or before the ~~twenty-first day (excluding Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67 before the primary or election, except that if the report is submitted before the deadline but more information is requested, such report shall be effective for the primary or election if sufficient information is received more than ~~14~~ seven days before the primary or election."

Sec. 4. G.S. 163-74(b) reads as rewritten:

"(b) Change of Party Affiliation or Unaffiliated Status. -- No registered elector shall be permitted to change the record of his party affiliation or unaffiliated status for a primary, second primary or special or general election after the close of the registration books immediately prior to any such election. Any registrant who desires to have the record of his party affiliation or unaffiliated status changed on the registration book shall, no later than the ~~twenty-first day (not including Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67 before the election go to the chairman or the supervisor of elections of the county board of elections or to other registration officials specified in G.S. 163-80 and request that the change be made. Before being permitted to have the change made, the chairman, supervisor of elections or other registration official shall require the registrant to take the following oath, and it shall be the duty of the elections officer to administer it:

(1) If the voter desires to change from one political party to another, or from unaffiliated to a political party:

I, ..., do solemnly swear (or affirm) that I desire in good faith to change my party affiliation from the ..... Party (or from unaffiliated status) to the ..... Party, and that such change of affiliation be made on the registration records in the manner provided by law, so help me, God.

(2) If the voter desires to change his affiliation with any political party to unaffiliated status:

I, ..., do solemnly swear (or affirm) that I desire in good faith to change my party affiliation with the ..... Party to unaffiliated and that such change of affiliation be made on the registration records in the manner provided by law, so help me, God.

Upon receipt of the required oath, the county board of elections shall immediately change the record of the registrant's party affiliation, or unaffiliated status, to conform to that stated in the oath.

Thereafter the voter shall be considered registered and qualified to vote in accordance with the effected change.

Provided, in the event that a registrant has the record of his party affiliation or unaffiliated status changed later than the ~~21st day (not including Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67 before a primary, the registrant shall not be entitled to vote in that primary."

Sec. 5. G.S. 163-59 reads as rewritten:

"§ *163-59. Right to participate or vote in party primary.*

No person shall be entitled to vote or otherwise participate in the primary election of any political party unless he

(1) Is a registered voter, and

(2) Has declared and has had recorded on the registration book or record the fact that he affiliates with the political party in whose primary he proposes to vote or participate, and

(3) Is in good faith a member of that party.

Notwithstanding the previous paragraph, any unaffiliated voter who is authorized under G.S. 163-74(a1) may also vote in the primary if the voter is otherwise eligible to vote in that primary except for subdivisions (2) and (3) of the previous paragraph.

Any person who will become qualified by age or residence to register and vote in the general election or regular municipal election for which the primary is held, even though not so qualified by the date of the primary, shall be entitled to register for the primary and general or regular municipal election prior to the primary and then to vote in the primary after being registered. Such person may register not earlier than 60 days nor later than the ~~21st day (excluding Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67 prior to the primary. In addition, persons who will become qualified by age to register and vote in the general election or regular municipal election for which the primary is held, who do not register during the special period may register to vote after such period as if they were qualified on the basis of age, but until they are qualified by age to vote, they may vote only in primary elections."

Sec. 6. G.S. 163-213.2 reads as rewritten:

"§ *163-213.2. Primary to be held; date; qualifications and registration of voters.*

On the Tuesday after the first Monday in May, 1992, and every four years thereafter, the voters of this State shall be given an opportunity to express their preference for the person to be the presidential candidate of their political party.

Any person otherwise qualified who will become qualified by age to vote in the general election held in the same year of the presidential preference primary shall be entitled to register and vote in the

presidential preference primary. Such persons may register not earlier than 60 days nor later than the ~~21st day~~ last day for making application to register under G.S. 163-67 prior to the said primary. In addition, persons who will become qualified by age to register and vote in the general election for which the primary is held, who do not register during the special period may register to vote after such period as if they were qualified on the basis of age, but until they are qualified by age to vote, they may vote only in primary elections."

Sec. 7. G.S. 163-288(c)(3) reads as rewritten:

"(3) METHOD C. -- The county board of elections shall permit the municipal board of elections to copy county registration books from the precinct binder record or from the duplicate required to be maintained by said county board of elections. During the period beginning on the ~~twenty-first day before each municipal election (excluding Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67, the municipal board of elections shall compare the municipal registration books with the appropriate county books and shall add or delete registration certificates in order that the city and county records shall agree. The precincts established for municipal elections may differ from those established by the county board of elections."

Sec. 8. G.S. 163-283 reads as rewritten:

"*§ 163-283. Right to participate or vote in party primary.*

No person shall be entitled to vote or otherwise participate in the primary election of any political party unless he

(1) Is a registered voter, and

(2) Has declared and has had recorded on the registration book or record the fact that he affiliates with the political party in whose primary he proposes to vote or participate, and

(3) Is in good faith a member of that party.

Notwithstanding the previous paragraph, any unaffiliated voter who is authorized under G.S. 163-74(a1) may also vote in the primary if the voter is otherwise eligible to vote in that primary except for subdivisions (2) and (3) of the previous paragraph.

Any person who will become qualified by age or residence to register and vote in the general election for which the primary is held, even though not so qualified by the date of the primary election, shall be entitled to register while the registration books are open during the regular registration period prior to the primary and then to vote in the primary after being registered, provided however, under full-time and permanent registration, such an individual may register not earlier than 60 days nor later than the ~~21st day~~ last day for making application to register under G.S. 163-67 prior to the primary. In addition, persons who will become qualified by age to register and

vote in the general election for which the primary is held, who do not register during the special period may register to vote after such period as if they were qualified on the basis of age, but until they are qualified by age to vote, they may vote only in primary elections."

Sec. 9. G.S. 163-288.2(a) reads as rewritten:

"§ *163-288.2. Registration in area proposed for incorporation or annexed.*

(a) Whenever the General Assembly incorporates a new city and provides in the act of incorporation for a referendum on the question of incorporation or for a special election for town officials or for both, or whenever an existing city or special district annexes new territory under the provisions of Chapter 160A, Article 4A, or other general or local law, the board of elections of the county in which the proposed city is located or in which the newly annexed territory is located shall determine those individuals eligible to vote in the referendum or special election or in the city or special district elections. In determining the eligible voters the board may, in its discretion, use either of the following methods:

METHOD A. -- The board of elections shall prepare a list of those registered voters residing within the proposed city or newly annexed territory. The board shall make this list available for public inspection in its office for a two-week period ending on the ~~twenty-first day (excluding Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67 before the day of the referendum or special election, or the next scheduled city or special district election. During this period, any voter resident within the proposed city or newly annexed territory and not included on the list may cause his name to be added to the list. At least one week and no more than two weeks before the day the period of public inspection is to begin, the board shall cause notice of the list's availability to be posted in at least two prominent places within the proposed city or newly annexed territory and may cause the notice to be published in a newspaper of general circulation within the county. The notice shall state that the list has been prepared, that only those persons listed may vote in the referendum or special election, that the list will be available for public inspection in the board's office, that any qualified voter not included on the list may cause his name to be added to the list during the two-week period of public inspection, and that persons in newly annexed territory should present themselves so their registration records may be activated for voting in city or special district elections in the newly annexed territory. Notice may additionally be made on a radio or television station or both, but such notice shall be in addition to the newspaper and other required notice.

METHOD B. -- The board of elections shall conduct a special registration of eligible persons desiring to vote in the referendum or special election or in the newly annexed territory. The registration records shall be open for a two-week period (except Sundays) ending on the ~~twenty-first day (excluding Saturdays and Sundays)~~ last day for making application to register under G.S. 163-67 before the day of the referendum or special election or the next scheduled city or special district election. On the two Saturdays during that two-week period, the records shall be located at the voting place for the referendum or special election or the next scheduled city or special district election; on the other days it may, in the discretion of the board, be kept at the voting place, at the office of the board, or at the place of business of a person designated by the board to conduct the special registration. At least one week and no more than two weeks before the day the period of special registration is to begin, the board shall cause notice of the registration to be posted in at least two prominent places within the proposed city or newly annexed territory and may cause the notice to be published in a newspaper of general circulation within the county. The notice shall state the purpose and times of the special registration, the location of the registration records, that only those persons registered in the special registration may vote in the referendum or special election, and that persons in newly annexed territory should present themselves so their registration records may be activated for voting in city or special district elections in the newly annexed territory. Notice may additionally be made on a radio or television station or both, but such notice shall be in addition to the newspaper and other required notice."

Part 2 -- SATELLITE VOTING PRECINCTS

Sec. 10. Article 12 of Chapter 163 of the General Statutes is amended by adding a new section to read:

"*§ 163-130. Satellite voting places.*

A county board of elections may, upon approval of a request submitted in writing to the State Board of Elections, establish a plan whereby elderly or disabled voters in a precinct may vote at designated sites within the precinct other than the regular voting place for that precinct. The State Board of Elections shall approve a county board's proposed plan if:

(1) All the satellite voting places to be used are listed in the county's written request;

(2) The plan will in the State Board's judgment overcome a barrier to voting by the elderly or disabled;

(3) Adequate security against fraud is provided for; and

(4) The plan does not unfairly favor or disfavor voters with regard to race or party affiliation."

Sec. 10A. G.S. 163-278.9 reads as rewritten:

"§ *163-278.9. Statements filed with Board.*

(a) The treasurer of each candidate and of each political committee shall file under verification with the Board the following reports:

(1) Organizational Report. -- The appointment of the treasurer as required by G.S. 163-278.7(a), the statement of organization required by G.S. 163-278.7(b), and a report of all contributions and expenditures not previously reported shall be filed with the Board no later than the tenth day following the day the candidate files his notice of candidacy or the tenth day following the organization of the political committee, whichever occurs first. Any candidate whose campaign is being conducted by a political committee which is handling all contributions and expenditures for his campaign shall file a statement with the Board stating such fact at the time required herein for the organizational report. Thereafter, the candidate's political committee shall be responsible for filing all reports required by law.

(2) Preprimary Report. -- The treasurer shall file a report with the Board no later than the tenth day preceding the primary election.

(3) Postprimary Report(s). -- The treasurer shall file a report with the Board no later than the ~~tenth~~ 30th day after the primary election if the candidate was eliminated in the primary. If there is a second primary, the treasurer shall file a report with the Board no later than the ~~tenth~~ 30th day after the second primary election if the candidate was eliminated in the second primary.

(4) Preelection Report. -- The treasurer shall file a report with the Board not later than the tenth day preceding the general election.

(5) Repealed by Session Laws 1985, c. 164, s. 1, effective January 1, 1986.

(6) Annual Reports. -- If contributions are received or expenditures made during a calendar year, for which no reports are otherwise required by this Article, any and all such contributions and expenditures shall be reported by the last Friday in January of the following year.

(b) Except as otherwise provided in this Article, each report shall be current within seven days prior to the date the report is due and shall list all contributions received and expenditures made which have not been previously reported.

(c) Repealed by Session Laws 1985, c. 164, s. 6.1, effective January 1, 1986.

(d) Candidates and committees for municipal offices in a city with a population of 50,000 or greater, which are required to submit reports by G.S. 163-278.6(18) are not subject to subsections (a), (b) and (c) of this section. Reports for those candidates and committees are covered by Part 2 of this Article.

(e) Notwithstanding subsections (a) through (c) of this section, any political party (including a State, district, county, or precinct committee thereof) which is required to file reports under those subsections and under the Federal Election Campaign Act of 1971, as amended (2 U.S.C. 434), shall instead of filing the reports required by those subsections, file with the State Board of Elections:

(1) The organizational report required by subsection (a)(1) of this section, and

(2) A copy of each report required to be filed under 2 U.S.C. 434, such copy to be filed on the same day as the federal report is required to be filed.

(f) Any report filed under subsection (e) of this section may include matter required by the federal law but not required by this Article.

(g) Any report filed under subsection (e) of this section must contain all the information required by G.S. 163-278.8 or G.S. 163-278.11, notwithstanding that the federal law may set a higher reporting threshold.

(h) Any report filed under subsection (e) of this section may reflect the cumulative totals required by G.S. 163-278.11 in an attachment, if the federal law does not permit such information in the body of the report.

(i) Any report or attachment filed under subsection (e) of this section must be made under oath."

Sec. 10B. G.S. 163-278.42 reads as rewritten:

"§ *163-278.42. Distribution of campaign funds; legitimate expenses permitted.*

(a) In a general election year in which a presidential election is held, every State chairman of a political party shall disburse fifty percent (50%) of all funds received from the North Carolina Political Parties Financing Fund to that political party. The remaining fifty percent (50%) of such funds shall be allocated by the special committee established by subsection (d) of this section and used for one or more of the purposes permitted by subsection (e) of this section. Any candidate may elect to decline in whole or in part any funds that the party chooses to distribute to the candidate.

(b) In a general election year in which there is not a presidential election, every State chairman of a political party shall disburse fifty percent (50%) of all funds received from the Political Parties Fund to that political party. The remaining fifty percent (50%) of such funds

shall be allocated by the special committee established in subsection (d) of this section and used for one or more of the purposes permitted by subsection (e) of this section. Any candidate may elect to decline in whole or in part any funds that the party chooses to distribute to the candidate.

(c) In each year in which no general election is held, every State chairman of a political party shall disburse all funds received from the Political Parties Fund to that political party.

(d) The allocation of the remaining fifty percent (50%) of the funds under subsections (a) or (b) of this section shall be made by a committee composed of the State Chairman of that political party, the Treasurer of that party, the Congressional District Chairmen of that party, and two persons appointed by the State Chairman of that party, and the State Chairman shall serve as Chairman of this committee. The allocation of funds shall be in the sole discretion of the committee, but must be for a purpose permitted by subsection (e) of this section and if allocated to a candidate, shall be disbursed by the State Chairman of that party only to the Treasurer of that candidate or committee appointed under Article 22A of this Chapter or under the Federal Election Campaign Act of 1971, Chapter 14 of Title 2, United States Code.

(e) ~~Funds~~ A political party shall expend funds distributed from the Political Parties Fund or from the 'Presidential Election Year Candidates Fund' ~~of a political party shall~~ only ~~be expended~~ for legitimate campaign expenses. By way of illustration but not by way of limitation, the following are examples of legitimate campaign expenses:

(1) Radio, television, newspaper, and billboard advertising for and on behalf of a political party or candidate;

(2) Leaflets, fliers, buttons, and stickers;

(3) Campaign staff salaries, provided each staff member is listed by name and by the amount paid as salary and the amount paid as campaign expense reimbursement;

(4) Travel expenses, lodging and food for candidate and staff;

(4a) Expenses to ensure compliance with federal and State campaign finance and reporting laws;

(4b) Contributions to or expenses on behalf of candidates of that political party;

(5) Party headquarters operations related to upcoming general elections, including the purchase, maintenance and programming of computers to provide lists of voters, party workers, officers, committee members and participants in party functions, patterns of voting and other data for use in general election campaigns and party activities and

functions prior thereto, the establishment and updating computer file systems of voter registration lists, State, district, county and precinct officers and committee member lists, party clubs or organization lists, the organizing of voter registration, fund raising and get-out-the-vote programs at the county level when conducted by State party personnel, and the preparation of reports required to be filed by State and federal laws and systems needed to prepare the same and keep records incident thereto.

(f) All moneys and funds previously designated by taxpayers being held by the North Carolina Secretary of Revenue and being held by the North Carolina State Treasurer which moneys and funds have not been disbursed or delivered to a political party as of June 16, 1978, when disbursed shall be allocated by the State Chairman of the political party as follows: sixty-two and one-half percent (62 1/2%) of such funds to the political party for legitimate general election campaign expenditures; thirty-seven and one-half percent (37 1/2%) to the eligible candidates as determined by the committee established under this Article.

(g) It shall be unlawful for any ~~person, candidate, political committee or~~ political party to use either directly or indirectly any part of funds distributed from the Political Parties Fund or the Presidential Election Year Candidates Fund of any political party for the support or assistance either directly or indirectly of any candidate in a primary election, for support or assistance relating to the selection of a candidate at a political convention or by the executive committee of a party, for the payment or repayment of any debt or obligation of whatsoever kind or nature incurred by any person, candidate or political committee in a primary election, the selection of a candidate at a political convention or by the executive committee of a party, or for the support, promotion or opposition of a national, State or local referendum, bond election or constitutional amendment."

Sec. 10C. G.S. 163-278.43 reads as rewritten:

"*§ 163-278.43. Annual report to State Board of Elections; suspension of disbursements; willful violations a misdemeanor; adoption of ~~rules.~~ rules; reporting by candidates and political committees.*

(a) The State chairman of each political party ~~and the treasurer of each candidate or political committee~~ receiving funds from the Political Parties Fund or the Presidential Election Year Candidates Fund or both shall maintain a full and complete record of ~~their~~ the party's receipts and any and all subsequent expenditures and disbursements thereof, and such shall be substantiated by any records, receipts, and information that the Executive Director of the State Board of Elections

shall require. Such record shall be centrally located and shall be readily available at reasonable hours for public inspection. ~~Treasurers of political committees and candidates shall maintain all such funds received from the Political Parties Fund or a Presidential Election Year Candidates Fund or both in a separate account, and shall not allow the same to be commingled with the funds from any other source.~~

(b) By December 31 of each year, the State chairman of each political party receiving funds from the Political Parties Fund or a Presidential Election Year Candidates Fund ~~and the treasurer of all other political committees or candidates receiving any such funds~~ in the 12 preceding months shall file with the State Board of Elections an itemized statement reporting all receipts, expenditures and disbursements from the date of the last report and attached to such report shall be the verification of such chairman ~~or treasurer~~ that all such funds received were expended in accordance with the provisions of this Article. If the Executive Secretary of the State Board of Elections determines and finds as a fact that any such funds were not disbursed or expended in accordance with this Article, he shall order such political ~~party, political committee or candidate~~ party to reimburse the amount improperly expended or disbursed to the General Fund of the State and such political ~~party, political committee or candidate~~ party shall not receive further disbursements from the Political Parties Fund or a Presidential Election Year Candidates Fund until such reimbursement has been accomplished in full. A copy of any such order shall be forwarded to the State Treasurer, which shall constitute notice to him to suspend further disbursements from the campaign fund.

(c) Repealed by Session Laws 1985, c. 259.

(c1) The State Board shall review each application and certify that the political party is eligible to receive the funds requested. The State Board shall establish rules for the administration and enforcement of this Article.

(c2) The treasurer of any political committee or candidate receiving any funds from the Political Parties Fund or a Presidential Election Year Candidates Fund through a political party shall report such receipts as contributions according to the method and timetable set forth in Article 22A of this Chapter. The treasurer shall report disbursements of such funds as expenditures or loans according to the method and timetable set forth in Article 22A of this Chapter. The reports shall be made to the proper board of elections according to Article 22A of this Chapter. There is no requirement that a candidate or a political committee other than a political party shall maintain

funds from the Political Parties Fund or a Presidential Election Year Candidates Fund in a separate account.

(d) Repealed by Session Laws 1985, c. 259."

Sec. 10.1. Section 2(a) of Chapter 859, Session Laws of 1991 reads as rewritten:

"(a) The Moore County Board of Elections shall conduct an election on September 15, 1992, for the purpose of submission to the qualified voters of the area described in Section 2.1 of the Charter of Woodlake Village, the question of whether or not such area shall be incorporated as Woodlake Village. Registration for the election shall be conducted in accordance with G.S. 163-288.2. Absentee voting shall be allowed as if the municipal governing body had adopted a resolution under G.S. 163-302 to allow absentee voting."

Sec. 10.2. Section 4 of Chapter 859, Session Laws of 1991 reads as rewritten:

"Sec. 4. On September 15, 1992, the Moore County Board of Elections shall also conduct an election for Village Council of Woodlake Village, provided that unless a majority of votes cast in the election under Section 2 of this act are 'FOR incorporation of Woodlake Village', the election for the Village Council is void. Absentee voting shall be allowed as if the municipal governing body had adopted a resolution under G.S. 163-302 to allow absentee voting. Candidates shall file notice of candidacy no earlier than 12:00 noon on the second Monday in July and no later than 12:00 noon on the first Monday in August."

Sec. 11. Sections 1 through 9 of this act become effective with respect to elections occurring on or after July 1, 1993. Section 10 of this act becomes effective January 31, 1993. Sections 10A through 10C of this act are effective upon ratification. Sections 10.1 and 10.2 of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 172 **CHAPTER 1033**

AN ACT TO RESUME ELECTING THE TAX COLLECTOR OF MITCHELL COUNTY.

The General Assembly of North Carolina enacts:

Section 1. The Board of Elections of Mitchell County shall conduct a countywide referendum at the date of the statewide general election in November of 1994 on the following question:

"[ ] FOR election by the voters of Mitchell County of the County Tax Collector.

[ ] AGAINST election by the voters of Mitchell County of the County Tax Collector."

Sec. 2. If a majority of the qualified voters of Mitchell County voting in that election vote "FOR" the question, then:

(1) In 1996 and quadrennially thereafter, there shall be elected in Mitchell County a Tax Collector to serve a four-year term;

(2) The term of the tax collector appointed by the Board of Commissioners of Mitchell County shall expire on the first Monday in December of 1996;

(3) Section 2 of Chapter 269 of the 1983 Session Laws is repealed effective November 1, 1994; and

(4) Effective on the first Monday in December of 1996, Section 3 of Chapter 269 of the 1983 Session Laws is repealed.

Sec. 3. Elections for a Tax Collector of Mitchell County shall be under the same procedures for county officers as provided by law.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 379 **CHAPTER 1034**

AN ACT TO INCREASE THE FINE FOR PERSONS CONVICTED OF DRIVING MORE THAN FIFTEEN MILES PER HOUR OVER THE SPEED LIMIT, TO CHANGE THE STANDARD OF PROOF IN HEARINGS AND REHEARINGS FOR INVOLUNTARY COMMITMENT OF PERSONS FOUND NOT GUILTY BY REASON OF INSANITY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-141(j1) reads as rewritten:

"(j1) ~~It is a misdemeanor punishable as provided in G.S. 20-176 for a person to drive~~ A person who drives a vehicle on a highway at a speed that is more than 15 miles per hour more than the speed limit established by law for the highway where the offense occurred is guilty of a misdemeanor punishable by imprisonment for up to 60 days, a fine up to two hundred dollars ($200.00), or both."

Sec. 2. G.S. 122C-268.1(b) reads as rewritten:

"(b) The district attorney in the county in which the respondent was found not guilty by reason of insanity may represent the State's interest at the ~~hearing~~ hearing, rehearings, and supplemental rehearings. If the district attorney declines to represent the State's interest, then the representation shall be determined as follows. An attorney, who is a member of the staff of the Attorney General assigned to one of the State's facilities for the mentally ill or the

psychiatric service of the University of North Carolina Hospitals at Chapel Hill, may represent the State's interest at commitment hearings, rehearings, and supplemental hearings. Alternatively, the Attorney General may, in his discretion, designate an attorney who is a member of his staff to represent the State's interest at any commitment hearing, rehearing, or supplemental hearing."

Sec. 3. G.S. 122C-268.1(i) reads as rewritten:

"(i) The respondent shall bear the burden to prove by a preponderance of the evidence that he ~~is~~ (i) no longer ~~dangerous to others. If the court is so satisfied, then the respondent shall bear the burden to prove by a preponderance of the evidence (i) that he does not have a mental illness, or (ii) that confinement is not necessary to ensure his own survival or safety and that confinement is not necessary to alleviate or cure his illness.~~ has a mental illness as defined in G.S. 122C-3(21), or (ii) is no longer dangerous to others as defined in G.S. 122C-3(11)b. If the court is so satisfied, then the court shall order the respondent discharged and released. If the court finds that the respondent has not met his ~~burdens~~ burden of proof, then the court shall order that inpatient commitment continue at a 24-hour facility designated pursuant to G.S. 122C-252 for a period not to exceed 90 days. The court shall make a written record of the facts that support its findings."

Sec. 4. G.S. 122C-276.1(c) reads as rewritten:

"(c) The respondent shall bear the burden to prove by a preponderance of the evidence that he ~~is~~ (i) no longer ~~dangerous to others. If the court is so satisfied, then the respondent shall bear the burden to prove by a preponderance of the evidence (i) that he does not have a mental illness, or (ii) that confinement is not necessary to ensure his own survival or safety and that confinement is not necessary to alleviate or cure his illness.~~ has a mental illness as defined in G.S. 122C-3(21), or (ii) is no longer dangerous to others as defined in G.S. 122C-3(11)b. If the court is so satisfied, then the court shall order the respondent discharged and released. If the court finds that the respondent has not met his ~~burdens~~ burden of proof, then the court shall order inpatient commitment be continued for a period not to exceed 180 days. The court shall make a written record of the facts that support its findings."

Sec. 5. G.S. 122C-271 is amended by adding a new subsection to read:

"(c) If the respondent was found not guilty by reason of insanity and has been held in a 24-hour facility pending the court hearing held pursuant to G.S. 122C-268.1, the court may make one of the following dispositions:

(1) If the court finds that the respondent has not proved by a preponderance of the evidence that he no longer has a mental illness or that he is no longer dangerous to others, it shall order inpatient treatment at a 24-hour facility for a period not to exceed 90 days.

(2) If the court finds that the respondent has proven by a preponderance of the evidence that he no longer has a mental illness or that he is no longer dangerous to others, the court shall order the respondent discharged and released."

Sec. 6. Section 1 of this act becomes effective October 1, 1992, and applies to offenses committed on or after that date. The remainder of this act is effective upon ratification and applies to all hearings and rehearings on discharge and conditional release occurring on or after the date of ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 1560 **CHAPTER 1035**

AN ACT TO MODIFY THE METHOD OF ELECTING THE COUNTY COMMISSIONERS OF ROBESON COUNTY SO THAT THE GENERAL ELECTION IS WITHIN THE DISTRICTS PREVIOUSLY ESTABLISHED FOR NOMINATION.

The General Assembly of North Carolina enacts:

Section 1. Section 3 of Chapter 289 of the 1919 Public-Local Laws is amended by deleting the phrase "shall be voted for by the county at large." and substituting the phrase "shall only be voted for by the electors of said district."

Sec. 2. Section 5 of Chapter 289 of the 1919 Public-Local Laws is amended by deleting the phrase "shall be voted for by the county at large." and substituting the phrase "shall only be voted for by the electors of said district."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 886 **CHAPTER 1036**

AN ACT TO APPROPRIATE THE BALANCE OF THE FUNDS FROM THE PROCEEDS OF THE ALREADY AUTHORIZED TWO HUNDRED MILLION DOLLARS IN GENERAL

OBLIGATION BONDS AUTHORIZED FOR THE CONSTRUCTION OF STATE PRISON AND YOUTH SERVICES FACILITIES AND TO MODIFY THE PRISON POPULATION CAP.

Whereas, the General Assembly appropriated funds and authorized issuance of bonds totaling $324,641,363 from 1985 through 1991 for construction of 11,556 prison beds and ancillary facilities and for renovation and repair of existing facilities; and

Whereas, the funds appropriated and authorized for said prison construction include $103,380,310 of the $112,500,000 bonds approved for expenditure by the 1991 General Assembly; and

Whereas, these bonds were issued on March 1, 1992, and bear interest costs totaling $73,582,200 to be paid from the 1992-93 fiscal year through the 2008-09 fiscal year; and

Whereas, the issuance of the remaining $87,500,000 in bonds to construct 2,722 prison beds will bear interest costs estimated to be $66,328,750 from the 1992-93 fiscal year through the 2007-08 fiscal year; and

Whereas, the General Fund expenditures for the Department of Correction totaled $226,241,439 in the 1985-86 fiscal year as compared to $463,830,128 in the 1991-92 fiscal year; and

Whereas, the General Fund appropriation for the Department of Correction for the 1992-93 fiscal year is $508,383,981; and

Whereas, the additional General Fund appropriations needed to operate the facilities constructed with the $103,380,310 in bonds will total approximately $48,000,000; and

Whereas, the additional General Fund appropriations needed to operate the facilities proposed to be constructed with the remaining $87,500,000 in bonds will total $28,718,362; and

Whereas, the actions taken since 1985 by the General Assembly in regard to the Department of Correction have enabled the State of North Carolina to maintain control over the prison system and to avoid takeover of the prison system by the federal government; and

Whereas, these continuing responsible actions have been made under severe budgetary constraints since 1990; and

Whereas, it is expected that said budgetary constraints will continue into the foreseeable future; and

Whereas, the 1990 General Assembly created the Sentencing and Policy Advisory Commission to evaluate sentencing laws and policies and to make recommendations for modification of these laws, which will affect the need for additional prison beds and the types of beds; and

Whereas, the Sentencing and Policy Advisory Commission is to issue a final report to the 1993 General Assembly and funds need to be available to construct appropriate beds commensurate with these recommendations; and

Whereas, felony admissions increased by twenty-one percent (21%) in the first three months of calendar year 1992 as compared to the same period of 1991; and

Whereas, the present management of the Department of Correction has emphasized the need to construct more secure facilities for an increasingly assaultive felon population and, accordingly, has modified the plan for the facilities proposed to be constructed with the prison bond funds approved by the 1991 General Assembly; and

Whereas, no plan has been specifically formulated for the housing of misdemeanants, who account for approximately forty-three percent (43%) of prison admissions but only approximately eight percent (8%) of the prison population; and

Whereas, the issue of workcamps for misdemeanants needs to be examined more thoroughly; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. *General Purposes.* The appropriations hereby made by the 1991 General Assembly for capital improvements from the proceeds of the $200,000,000 State of North Carolina Prison and Youth Services Facilities Bonds authorized by Chapter 935 of the 1989 Session Laws (the "bond act") and approved by the qualified voters of the State who voted thereon on November 6, 1990, as said bonds may be issued from time to time (the "bonds"), are for the purposes of financing the cost of $87,500,000 of State prison facilities and youth services facilities, including, without limitation, the cost of constructing capital facilities, renovating or reconstructing existing facilities, acquiring equipment related thereto, purchasing land, paying costs of issuance of bonds and notes and paying contractual services necessary for the partial implementation of the purposes of the bond act, all as defined in and authorized by the bond act and as more particularly described in this act. The particular projects within the purposes under the bond act to be financed by the $87,500,000 balance of the $200,000,000 authorization shall, as authorized by the bond act, be determined by legislative action by the General Assembly in a session subsequent to *sine die* adjournment of the 1991 Regular Session.

Sec. 2. *Appropriation Procedures.* The appropriations hereby made by the 1991 General Assembly for the purposes under the bond act shall be disbursed in accordance with a schedule to be enacted by the 1993 General Assembly within 30 days of the convening of the

1993 Regular Session. The Department of Correction shall develop a master plan for the allocation of the funds, and the Governor, after reviewing the master plan, shall propose a schedule for allocation of the funds when he submits his proposed budget to the 1993 General Assembly. In enacting the schedule for allocation of the funds, the General Assembly shall consider the master plan, the Governor's proposed schedule, and the recommendations of the Sentencing and Policy Advisory Commission. Expenditure of funds shall not be made and contracts shall not be entered into regarding the expenditure of these funds until the schedule is enacted by the 1993 General Assembly. Expenditure of funds shall not be made by any State department, institution or agency, until an allotment has been approved by the Governor as Director of the Budget. The allotment shall be approved only after full compliance with the Executive Budget Act, Article 1 of Chapter 143 of the General Statutes.

Where direct capital improvement appropriations include furnishing fixed and movable equipment for any project, funds for equipment shall not be subject to transfer into construction accounts except as authorized by the Director of the Budget. The expenditure of funds for fixed and movable equipment and furnishings shall be reviewed and approved by the Director of the Budget prior to commitment of funds.

Capital improvement projects authorized by this act shall be completed, including fixed and movable equipment and furnishings, within the limits of the amounts of the appropriations provided, except as otherwise provided in this act.

Sec. 3. *Administration.* The facilities authorized under this act shall be constructed in accordance with the provisions of general law applicable to the construction of State facilities. The Office of State Construction of the Department of Administration shall have a verifiable ten percent (10%) goal for participation by minority and women-owned businesses. All contracts for the design, construction, or demolition of prison facilities shall include a penalty for failure to complete the work by a specified date.

The Office of State Construction of the Department of Administration shall consider alternative delivery systems that could expedite the delivery of prison facilities. Such delivery systems as design-build, using modular or conventional building systems, shall be considered. However, in order for such alternatives to be used, the Department of Correction must approve the proposed design for operational programming and cost of operations and maintenance.

Sec. 4. *Quarterly Reports.* Once the schedule has been enacted disbursing the funds, the Office of State Construction of the Department of Administration shall provide quarterly reports to the

Chairman of the Appropriations Committee and the Base Budget Committee in the Senate, the Chairman of the Appropriations Committee in the House, the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division on the funds appropriated in this act. The report shall include, but not be limited to, any changes in projects and allocations made pursuant to this act, information on which contractors have been selected, what contracts have been entered into, the projected and actual occupancy dates of facilities contracted for, the number of beds to be constructed on each project, the location of each project, and the projected and actual cost of each project. To the extent that funds remain unexpended they shall be subject to further reallocation or reappropriation by the General Assembly for purposes permitted by the Bond Act.

Sec. 5. G.S. 148-4.1(d) reads as rewritten:

"(d) If the number of prisoners housed in facilities owned or operated by the State of North Carolina for the Division of Prisons exceeds ninety-eight percent (98%) of ~~20,594~~ 20,900 for 15 consecutive days, the Secretary of Correction shall notify the Governor and the Chairman of the Parole Commission of this fact. Upon receipt of this notification, the Parole Commission shall within 90 days release on parole a number of inmates sufficient to reduce the prison population to ninety-seven percent (97%) of ~~20,594.~~ 20,900.

From the date of the notification until the prison population has been reduced to ninety-seven percent (97%) of ~~20,594.~~ 20,900, the Secretary may not accept any inmates ordered transferred from local confinement facilities to the State prison system under G.S. 148-32.1(b). Further, the Secretary may return any inmate housed in the State prison system under an order entered pursuant to G.S. 148-32.1(b) to the local confinement facility from which the inmate was transferred."

Sec. 6. G.S. 148-4.1(e) reads as rewritten:

"(e) In addition to those persons otherwise eligible for parole, from the date of notification in subsection (d) until the prison population has been reduced to ninety-seven percent (97%) of ~~20,594,~~ 20,900, any person imprisoned only for a misdemeanor also shall be eligible for parole and immediate termination upon admission, notwithstanding any other provision of law, except:

(1) Those persons convicted under G.S. 20-138.1 of driving while impaired or any offense involving impaired driving, and

(2) Those persons convicted pursuant to G.S. 130A-25 of failing to obtain the treatment required by Part 3 or Part 5 of

Article 6 of Chapter 130A or of violating G.S. 130A-144(f) or G.S. 130A-145."

Sec. 7. G.S. 148-4.1(f) reads as rewritten:

"(f) In complying with the mandate of subsection (d), the Parole Commission may exercise the discretion granted to refuse parole by G.S. 15A-1371 in selecting felons to be paroled under this section so long as the prison population does not exceed ~~20,594.~~ 20,900."

Sec. 8. Sections 1 through 4 of this act become effective upon ratification. Sections 5 through 7 become effective October 1, 1992, or on the date that the Secretary of Correction finds that the Brown Creek Correctional Institution is capable of housing a minimum of 306 inmates, whichever is later.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 1277 **CHAPTER 1037**

AN ACT TO LIMIT THE IMMUNITY HELD BY MEMBERS OF THE GENERAL ASSEMBLY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 120-9 reads as rewritten:

"*§ 120-9. Freedom of speech; protection from arrest.*

The members shall have freedom of speech and debate in the General Assembly, and shall not be liable to impeachment or question, in any court or place out of the General Assembly, for words therein spoken~~; and shall be protected, except in cases of crime, from all arrest and imprisonment, or attachment of property, during the time of their going to, coming from, or attending the General Assembly.~~"

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 1343 **CHAPTER 1038**

AN ACT TO MAKE APPOINTMENTS TO VARIOUS PUBLIC OFFICES UPON THE RECOMMENDATION OF THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND TO AMEND CERTAIN STATUTES CALLING FOR VARIOUS COMMISSIONS TO HAVE ONE MEMBER FROM EACH OF ELEVEN CONGRESSIONAL DISTRICTS.

Whereas, G.S. 120-121 authorizes the General Assembly to make certain appointments upon the recommendation of the Speaker of the House of Representatives; and

Whereas, the Speaker of the House of Representatives has made recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

PART 1. SPEAKER'S APPOINTMENTS

Section 1. Jennie J. Hayman of Wake County and Beryl Wade of Cumberland County are appointed to the Rules Review Commission for terms expiring June 30, 1994.

Sec. 2. J. Carlton Cole of Perquimans County is appointed to the Alarm Systems Licensing Board for a term expiring June 30, 1995.

Sec. 3. Christopher E. McClure of Wake County is appointed to the Child Day Care Commission for a term expiring June 30, 1994. This is a categorical appointment for a public member. Joanne Byrd of Wake County is appointed to the Child Day Care Commission for a term expiring June 30, 1994. This is a categorical appointment for a parent of a child receiving day care services.

Sec. 3.1. B.F. Clifton of Wake County is appointed to the Board of Trustees of the Teachers' and State Employees' Comprehensive Major Medical Plan for a term expiring June 30, 1994. This is a public member.

Sec. 4. R.H. Byrd of Harnett County is appointed to the Genetic Engineering Review Board for a term expiring June 30, 1995. This is a categorical appointment for an active member of a farm organization.

Sec. 5. Fincher Martin of Anson County and Trudy Early of Guilford County are appointed to the North Carolina Agricultural Finance Authority for terms expiring June 30, 1995.

Sec. 6. Jonathan Hankins of Brunswick County is appointed to the North Carolina Center for Nursing Board of Directors for a term expiring June 30, 1995.

Sec. 7. Catherine Cameron of Chatham County is appointed to the North Carolina Hazardous Waste Management Commission for a term expiring June 30, 1994.

Sec. 8. Roy A. Stevens of Carteret County is appointed to the North Carolina State Ports Authority for a term expiring June 30, 1994.

Sec. 9. Leroy T. Walker of Durham County is appointed to the North Carolina Teaching Fellows Commission for a term expiring June 30, 1994.

Sec. 10. Joel Garth Locklear of Robeson County is appointed to the Private Protective Services Board for a term expiring June 30, 1995. This is a categorical appointment for a licensee under Chapter 74C of the General Statutes.

Sec. 11. Mary Hardy of Pitt County is appointed to the State Board of Cosmetic Art Examiners for a term expiring June 30, 1995. This is a categorical appointment for a licensed cosmetologist.

Sec. 12. Benny R. Hockaday of Wake County is appointed to the State Building Commission for a term expiring June 30, 1995.

Sec. 12.1. Barney Paul Woodard, Jr. of Buncombe County is appointed to the Board of the North Carolina Arboretum for a term expiring June 30, 1996.

Sec. 12.2. Dr. David Brooks of Robeson County is appointed to the North Carolina Veterinary Medical Board for a term expiring June 30, 1997.

Sec. 12.3. E. Frank Davis, Jr. of Buncombe County is appointed to the North Carolina Code Officials Qualifications Board for a term expiring June 30, 1996. This is the categorical appointment for a licensed electrical contractor.

Sec. 12.4. Gail Sports Long of Cumberland County is appointed to the North Carolina Medical Database Commission for a term expiring June 30, 1995. This is the categorical appointment for a nurse.

Sec. 12.5. Charles M. Johnson of Nash County is appointed to the State Board of Therapeutic Recreation Certification for a term expiring June 30, 1995. This is the categorical appointment for a public member.

Sec. 12.6. Lycurous Lowry of Robeson County is appointed to the Southeastern North Carolina Farmers Market Commission for a term expiring June 30, 1996.

Sec. 12.7. Dr. William E. Willis, Jr. of Wake County is appointed to the Information Resource Management Commission for a term commencing September 1, 1992, and expiring June 30, 1995. This is the categorical appointment for a citizen of the State of North Carolina with a background in and familiarity with information systems or telecommunications.

Sec. 12.8. Except as provided herein, appointments made by this Part are effective upon ratification.

PART 2. CONGRESSIONAL DISTRICT REPRESENTATION COUNCIL ON EDUCATIONAL SERVICES FOR EXCEPTIONAL CHILDREN

Sec. 13. G.S. 115C-121(b) reads as rewritten:

"(b) The Council shall consist of ~~17~~ 18 members to be appointed as follows: two members appointed by the Governor; two members of the Senate appointed by the President Pro Tempore; two members of the House of Representatives appointed by the Speaker of the House; and ~~11~~ 12 members appointed by the State Board of Education. Of those members of the Council appointed by the State Board one member shall be selected from each congressional district within the State, and the members so selected shall be composed of at least one person representing each of the following: handicapped individuals, parents or guardians of children with special needs, teachers of children with special needs, and State and local education officials and administrators of programs for children with special needs. The Council shall designate a chairperson from among its members. The designation of the chairperson is subject to the approval of the State Board of Education. The board shall promulgate rules or regulations to carry out this subsection.

Ex officio members of the Council shall be the following:

(1) The Secretary of the Department of Human Resources or the Secretary's designee;

(2) The Secretary of the Department of Correction or the Secretary's designee;

(3) A representative from The University of North Carolina Planning Consortium for Children with Special Needs; and

(4) The Superintendent of Public Instruction or the Superintendent's designee.

The term of appointment for all members except those appointed by the State Board of Education shall be for two years. The term for members appointed by the State Board of Education shall be for four years. No person shall serve more than two consecutive four-year terms. The initial term of office of the person appointed from the 12th Congressional District shall commence on January 3, 1993, and expire on June 30, 1996.

Each Council member shall serve without pay, but shall receive travel allowances and per diem in the same amount provided for members of the North Carolina General Assembly."

PROFESSIONAL REVIEW COMMITTEE
FOR PUBLIC SCHOOL TEACHERS

Sec. 14. G.S. 115C-325(g)(1) reads as rewritten:

"(1) There is hereby created a Professional Review Committee which shall consist of ~~121~~ 132 citizens, 11 from each of the State's congressional districts, five of whom shall be lay persons and six of whom shall have been actively and continuously engaged in teaching or in supervision or

administration of schools in this State for the five years preceding their appointment and who are broadly representative of the profession, to be appointed by the Superintendent of Public Instruction with the advice and consent of the State Board of Education. Each member shall be appointed for a term of three years. The initial terms of office of the persons appointed from the 12th Congressional District shall commence on January 3, 1993, and expire on June 30, 1995. The Superintendent of Public Instruction, with the advice and consent of the State Board of Education, shall fill any vacancy which may occur in the Committee. The person appointed to fill the vacancy shall serve for the unexpired portion of the term of the member of the Committee whom he is appointed to replace."

GENERAL PROVISIONS

Sec. 15. G.S. 143B-10(d) reads as rewritten:

"(d) Appointment of Committees or Councils. -- The head of each principal department may create and appoint committees or councils to consult with and advise the department. The General Assembly declares its policy that insofar as feasible, such committees or councils shall consist of no more than ~~11~~ 12 members, with not more than one from each congressional district. If any department head desires to vary this policy, he must make a request in writing to the Governor, stating the reasons for the request. The Governor may approve the request, but may only do so in writing. Copies of the request and approval shall be transmitted to the Advisory Budget Commission and to the Joint Legislative Commission on Governmental Operations. The members of any committee or council created by the head of a principal department shall serve at the pleasure of the head of the principal department and may be paid per diem and necessary travel and subsistence expenses within the limits of appropriations and in accordance with the provisions of G.S. 138-5, when approved in advance by the Director of the Budget. Per diem, travel, and subsistence payments to members of the committees or councils created in connection with federal programs shall be paid from federal funds unless otherwise provided by law.

An annual report listing these committees or councils, the total membership on each, the cost in the last 12 months and the source of funding, and the title of the person who made the appointments shall be made to the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations by March 31 of each year.

Prior to taking any action under this subsection, the Director of the Budget may consult with the Advisory Budget Commission."

Sec. 16. G.S. 143B-13 is amended by adding new subsections to read:

"(f1) Whenever a statute requires that the Governor or any board, commission, council, person, or agency (whether or not that board, commission, council, or agency was established under this Chapter) appoint one or more persons from each congressional district to a board, commission, or council, and due to congressional redistricting, a person no longer resides in the district the member has been appointed to represent, such member or members shall, if otherwise qualified, continue to serve as members of the board or commission for the remainder of their unexpired terms, and shall be considered to meet the residency requirement.

(f2) Whenever a statute requires that the Governor or any board, commission, council, person, or agency (whether or not that board, commission, council, or agency was established under this Chapter) appoint one or more persons from each congressional district to a board, commission, or council, and the statute fails to provide for a procedure to fill the extra position due to the addition of an additional congressional district, then the appointing authority shall appoint a person for a term commencing on January 3rd of the year in which the addition of the additional congressional district becomes effective. Unless the statute provides for persons to serve at the pleasure of the appointing authority, the appointing authority shall set the length of the initial term of office."

COMMISSION FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES

Sec. 17. G.S. 143B-148(a) reads as rewritten:

"(a) The Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services of the Department of Human Resources shall consist of ~~25~~ 26 members:

(1) Four of whom shall be appointed by the General Assembly, two upon the recommendation of the Speaker of the House of Representatives, and two upon the recommendation of the President of the Senate in accordance with G.S. 120-121. These members shall have concern for the problems of mental illness, developmental disabilities, alcohol and drug abuse. Members shall serve for two-year terms beginning July 1 of odd-numbered years. Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122;

(2) ~~Twenty-one~~ Twenty-two of whom shall be appointed by the Governor, one from each congressional district in the State in accordance with G.S. 147-12(3)b, and 10 at-large members.

a. Of these ~~21~~ 22 members, three shall have a special interest in mental health, three shall have a special interest in mental retardation, three shall have a special interest in developmental disabilities other than mental retardation, three shall have a special interest in alcohol abuse and alcoholism and three shall have a special interest in drug abuse. Each group of three shall be made up of one member who is a consumer representative; one other who is a representative of a local or State citizen organization or association; and one other who is a professional in the field.

b. The remaining ~~six~~ seven members shall be appointed from the general public, other citizen groups, area mental health, developmental disabilities, and substance abuse authorities, or from other related agencies.

c. Of these ~~21~~ 22 appointments, at least one shall be a licensed physician and at least one other shall be a licensed attorney.

d. The Governor shall appoint members to the Commission in accordance with the foregoing provisions. The terms of all Commission members appointed by the Governor shall be four years. The initial term of the person representing the 12th Congressional District shall begin January 3, 1993, and expire June 30, 1996. All Commission members shall serve their designated terms and until their successors are duly appointed and qualified. All Commission members may succeed themselves.

(3) All appointments shall be made pursuant to current federal rules and regulations, when not inconsistent with State law, which prescribe the selection process and demographic characteristics as a necessary condition to the receipt of federal aid."

BOARD OF CORRECTION

Sec. 18. G.S. 143B-265 reads as rewritten:

"§ *143B-265. Board of Correction -- duties and responsibilities; members; selection; compensation; meetings; quorum; services.*

(a) The Board of Correction shall consider and advise the Secretary of Correction upon any matter that the Secretary may refer to it. The

Board shall assist the Secretary of Correction in the development of major programs and recommend priorities for the programs within the Department.

The Board of Correction shall have such other responsibilities and shall perform such other duties as may be specifically given to it by the Secretary of Correction.

(b) The Board of Correction shall consist of one voting member from each of the ~~11~~ 12 congressional districts, appointed by the Governor to serve at his pleasure. One member shall be a psychiatrist or a psychologist, one an attorney with experience in the criminal courts, one a judge in the General Court of Justice and ~~eight~~ nine members appointed at large. The Secretary of Correction shall be an additional nonvoting member and chairman ex officio. The terms of office of the nine members presently serving on the Board shall continue, but any vacancy occurring on or after July 1, 1983, shall be filled by the Governor in compliance with the requirement of membership from the various congressional districts.

(c) Members of the Board shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

The Board of Correction shall meet at least quarterly and may hold special meetings at any time and place within the State at the call of its chairman.

A majority of the Board shall constitute a quorum for the transaction of business.

(d) All clerical and other services required by the Board shall be supplied by the Secretary of Correction."

AERONAUTICS COUNCIL

Sec. 19. G.S. 143B-357 reads as rewritten:

"§ *143B-357. Aeronautics Council -- members; selection; quorum; compensation.*

(a) The Aeronautics Council of the Department of Transportation shall consist of ~~13~~ 14 members appointed by the Governor, who, in making such appointments, shall designate one person from each of the congressional districts of the State and two members selected at large. At least four of the appointed members shall possess a broad knowledge of aviation and airport development.

Five of the initial members of the Council shall be the five members of the Governor's Aviation Committee whose terms expire on June 30, 1977, who shall serve on the Council until June 30, 1977. Thereafter, their successors shall be appointed for a term of office of four years. Six members of the Council shall be appointed for a term of four years beginning July 1, 1975. The initial term of

the member representing the 12th Congressional District shall commence on January 3, 1993, and expire on June 30, 1996. Thereafter, after the expiration of their respective terms of office, the successors shall be appointed for terms of four years. Any appointment to fill a vacancy on the Council created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term.

(b) The Governor shall have the power to remove any member of the Council from office in accordance with the provisions of G.S. 143B-16.

The Governor shall designate a member of the Council to serve as chairman at his pleasure.

(c) Members of the Council shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

A majority of the Council shall constitute a quorum for the transaction of business.

(d) All clerical and other services required by the Council shall be supplied by the Secretary of Transportation."

NORTH CAROLINA HUMAN RELATIONS COMMISSION

Sec. 20. G.S. 143B-392 reads as rewritten:

"§ *143B-392. North Carolina Human Relations Commission -- members; selection; quorum; compensation.*

(a) The Human Relations Commission of the Department of Administration shall consist of ~~20~~ 21 members. The Governor shall appoint one member from each of the ~~11~~ 12 congressional districts, plus five members at large, including the chairperson. The Speaker of the North Carolina House of Representatives shall appoint two members to the Commission. The Lieutenant Governor shall appoint two members to the Commission. The terms of four of the members appointed by the Governor shall expire June 30, 1988. The terms of four of the members appointed by the Governor shall expire June 30, 1987. The terms of four of the members appointed by the Governor shall expire June 30, 1986. The terms of four of the members appointed by the Governor shall expire June 30, 1985. The terms of the members appointed by the Speaker of the North Carolina House of Representatives shall expire June 30, 1986. The terms of the members appointed by the Lieutenant Governor shall expire June 30, 1986. The initial term of office of the person appointed to represent the 12th Congressional District shall commence on January 3, 1993, and expire on June 30, 1996. At the end of the respective terms of office of the initial members of the Commission, the appointment of their successors shall be for terms of four years. No member of the

commission shall serve more than two consecutive terms. A member having served two consecutive terms shall be eligible for reappointment one year after the expiration of his second term. Any appointment to fill a vacancy on the Commission created by the resignation, dismissal, death, or disability of a member shall be filled in the manner of the original appointment for the unexpired term."

GOVERNOR'S ADVOCACY COUNCIL ON CHILDREN AND YOUTH

Sec. 21. G.S. 143B-415(a) reads as rewritten:

"(a) The Governor's Advocacy Council on Children and Youth shall consist of ~~17~~ 18 members. The composition of the Council shall be as follows: two members appointed by the President of the Senate from the membership of the Senate; two members selected by the Speaker of the House of Representatives from the membership of the House of Representatives; ~~13~~ 14 members appointed by the Governor.

Of the members appointed by the Governor, at least one shall come from each congressional district in accordance with G.S. 147-12(3)b.

In selecting the ~~13~~ 14 members of the Council, the Governor shall select ~~nine~~ 10 public-spirited adult citizens who have an interest in and knowledge of children and youth, persons who work with children or representatives of organizations concerned with problems of children and youth. The remaining four members to be appointed by the Governor shall consist of two youths of each sex who are 18 years of age or under at the time of their appointments."

ECONOMIC DEVELOPMENT BOARD

Sec. 22. G.S. 143B-434(a) reads as rewritten:

"(a) There is created within the Department of Economic and Community Development an Economic Development Board. The Board shall advise the Secretary of Economic and Community Development on:

(1) The formulation of a program for the economic development of the State of North Carolina; and

(2) The formulation of a budget and the hiring of the head of each division of the Department of Economic and Community Development concerned with the expansion of the travel and tourism industry.

The Secretary shall prepare the budget of the Department and shall hire the heads of the above-mentioned divisions who shall serve at his pleasure. The Board shall meet at least quarterly at the call of its chairman or the Secretary. Each quarter the Secretary shall report to the Board on the program and progress of this State's economic development.

The Economic Development Board shall consist of ~~25~~ 26 members. The Secretary of Economic and Community Development, the President of the Senate or his appointee, and the Speaker of the House of Representatives or his appointee, shall be members of the Board. The Governor shall appoint ~~22~~ 23 members of the Board. Of his appointees, the Governor shall appoint at least one member residing in each congressional district of the State.

The initial appointments by the Governor shall be made on or after the date of ratification, 11 terms to expire July 1, 1979, and 11 terms to expire on July 1, 1981. Thereafter, at the expiration of each stipulated term of office all appointments made by the Governor shall be for a term of four years. The initial term of the person appointed to represent the 12th Congressional District shall commence January 3, 1993, and expire June 30, 1995. Any vacancy occurring in the membership of the Economic Development Board appointed by the Governor shall be filled by the Governor for the unexpired term. The Governor shall have the authority to remove any member of the Economic Development Board appointed by the Governor.

The Governor shall designate from among the members of the Economic Development Board a chairman and a vice-chairman. The Secretary of Economic and Community Development or his designee shall serve as Secretary of the Economic Development Board. If a vacancy occurs in the office of the Lieutenant Governor, the President pro tempore shall fill the vacancy. If a vacancy occurs in the office of the Speaker of the House of Representatives, the Speaker pro tempore shall fill the vacancy.

The members of the Economic Development Board appointed by the Governor shall receive per diem and necessary travel and subsistence expenses payable to members of State Boards and agencies generally pursuant to G.S. 138-5 and 138-6, as the case may be; provided, however, that the chairman of the Economic Development Board and the Lieutenant Governor shall not be entitled to receive per diem in addition to salary. The members of the Economic Development Board who are members of the General Assembly shall not receive per diem but shall receive necessary travel and subsistence expenses at rates prescribed by G.S. 120-3.1."

Sec. 23. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 1568 **CHAPTER 1039**

AN ACT TO CLARIFY THE ACCOUNTING TREATMENT OF CERTAIN FEES AND TO CORRECT CROSS REFERENCES TO THE CURRENT OPERATIONS APPROPRIATIONS ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90A-42(b) reads as rewritten:

"(b) ~~There is established within the Department a separate nonreverting fund into which fees collected pursuant to this section shall be credited. Subject to appropriation by the General Assembly, this fund shall be used to defray~~ The Water Pollution Control System Account is established as a nonreverting account within the Department. Fees collected under this section shall be credited to the Account and applied to the costs of administering this Article."

Sec. 2. G.S. 97-73 reads as rewritten:

"§ *97-73. Expenses of making examinations.*

(a) The Industrial Commission shall establish a schedule of ~~reasonable charges to defray expenses incurred in conducting~~ fees for examinations conducted and ~~making~~ reports made pursuant to G.S. 97-61.1 through 97-61.6 and 97-67 through ~~97-71, such charges to~~ 97-71. The fees shall be collected in accordance with rules ~~and regulations which shall be~~ adopted by the Industrial Commission.

(b) The Secretary of Environment, Health, and Natural Resources shall establish a schedule of ~~reasonable charges~~ fees for examinations conducted by the Department of Environment, Health, and Natural Resources pursuant to G.S. 97-60. ~~Such charges~~ The fees shall be collected in accordance with rules adopted by the Secretary of Environment, Health, and Natural ~~Resources and shall be used, subject to appropriation by the General Assembly, to defray the costs of conducting the examinations.~~ Resources.

(c) ~~Charges~~ Fees imposed pursuant to this section shall be collected from employers who by order of the Industrial Commission are determined to be subject to the hazards of asbestosis or silicosis."

Sec. 3. G.S. 113A-54.2 reads as rewritten:

"§ *113A-54.2. Approval Fees.*

(a) The Commission may establish a fee schedule for the review and approval of erosion control plans under this Article. In establishing the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for reviewing the plans and for related compliance activities. The total amount of ~~the~~ fees collected under this section in any fiscal year may not exceed one-third of the total administrative and personnel costs incurred by the Department for reviewing the plans and for related

compliance activities in the prior fiscal ~~year, but in no event may any one~~ year. An application fee may not exceed fifty dollars ($50.00) per acre of disturbed land shown on ~~the plans~~ an erosion control plan or of land actually disturbed during the life of the project.

(b) Fees collected under this section shall be ~~credited to the General Fund and may be used to:~~

~~(1) Defray the expenses of any project or program, including educational programs, supporting plan approval, and compliance activities under this Article; and~~

~~(2) Establish additional permanent positions, under Chapter 126 of the General Statutes, for plan approval and compliance activities under this Article.~~

applied to the costs of administering this Article.

~~(c) The Department shall make a biennial report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division on the cost of the State's program to approve erosion control plans. The report shall include the fees established and collected under this section and any other information requested by the General Assembly or the Commission.~~

(d) This section may not limit the existing authority of local programs approved pursuant to this Article to assess fees for the approval of erosion control plans."

Sec. 4. G.S. 113A-119.1 reads as rewritten:

"§ *113A-119.1. Permit Fees.*

(a) The Commission shall have the power to establish a graduated fee schedule for the processing of applications for permits, ~~renewal~~ renewals of permits, ~~modification~~ modifications of permits, or transfers of permits issued pursuant to this Article. In determining the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for processing ~~such applications and for~~ the applications, related compliance ~~activities~~ activities, and the complexity of the development sought to be undertaken for which a permit is required under this Article. The fee to be charged for processing an application may not exceed four hundred dollars ($400.00). The total funds collected from fees authorized by the Commission pursuant to this section in any fiscal year shall not exceed thirty-three and one-third percent (33 1/3%) of the total personnel and administrative costs incurred by the Department for permit processing and compliance programs within the Division of Coastal Area Management.

(b) Fees collected under this section shall be ~~credited to the General Fund and may be used to: (i) defray the expenses of any project or program, including educational programs, supporting the permitting and compliance activities under this Article and (ii)~~

~~establish additional permanent positions, under the Personnel Act, for permitting and compliance activities under this Article.~~ applied to the costs of administering this Article.

~~(c) The Department shall make an annual report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the cost of the permit program authorized under this Article. The report shall include the fees established and collected under this section and any other information requested by the General Assembly.~~"

Sec. 5. G.S. 130A-93.1 reads as rewritten:

"*§ 130A-93.1. Fees for vital records copies or search; automation fund.*

(a) The State Registrar shall collect, process, and utilize fees for services as follows:

(1) A fee not to exceed ten dollars ($10.00) shall be charged for issuing any copy of a vital record or for conducting a routine search of the files for the record when no copy is made.

(2) A fee not to exceed ten dollars ($10.00) shall be charged in addition to the fee charged under subdivision (1) of this subsection and to all shipping and commercial charges when expedited service is specifically requested.

(3) ~~An account of all fees received shall be kept and the fees turned over to the State Treasurer for use by the Department, subject to appropriation by the General Assembly.~~ Except as provided in subsection (b), fees collected under this subsection shall be used by the Department for public health purposes.

(b) ~~A nonreverting vital records automation fund is established with the State Treasurer for the purpose of fully automating the system of vital records provided for in this Article.~~ The Vital Records Automation Account is established as a nonreverting account within the Department. Five dollars ($5.00) of each fee collected pursuant to subdivision ~~(1)~~ (a)(1) ~~of subsection (a) of this section~~ shall be ~~deposited~~ credited to ~~the fund. Subject to appropriation by the General Assembly, the~~ this Account. The Department shall ~~utilize the fund~~ use the revenue in the Account to fully automate the vital records system. When funds sufficient to fully automate the system have accumulated in the ~~fund,~~ Account, fees shall no longer be ~~deposited~~ credited to the ~~fund~~ Account but shall be ~~deposited and utilized in accordance with subdivision (3) of subsection (a) of this section.~~ used as specified in subdivision (a)(3)."

Sec. 6. G.S. 130A-125(c) reads as rewritten:

"(c) The Department ~~is authorized to establish and collect a reasonable~~ may impose a fee for a laboratory ~~tests~~ test performed pursuant to this section by the State Public Health Laboratory. ~~Such~~

~~fees shall~~ A fee for a test must be based on the actual cost of performing the ~~tests. All fees collected by the Department~~ test. The fees for laboratory tests shall be used to supplement and not supplant funds appropriated for the Newborn Screening Program.

The Newborn Screening Fee Account is established as a nonreverting account within the Department. Fees collected ~~by the Department~~ pursuant to this section shall ~~not revert to the General Fund at the end of each fiscal year, but shall remain in the Department to~~ be credited to this Account and shall be ~~used to support~~ applied to the Newborn Screening ~~Program, subject to appropriation by the General Assembly.~~ Program."

Sec. 7. G.S. 130A-248(d) reads as rewritten:

"(d) The Department shall charge each facility subject to this section, except nutrition programs for the elderly administered by the Division of Aging of the Department of Human Resources and public school cafeterias, an annual fee of twenty-five dollars ($25.00). The Department shall charge an additional twenty-five dollar ($25.00) late payment fee to any facility that fails to pay the required fee within 45 days after billing by the Department. The Department may, in accordance with G.S. 130A-23, suspend or revoke the permit of a facility that fails to pay the required fee within 60 days after billing by the Department. The Commission shall adopt rules to implement this subsection. Fees collected under this subsection shall be ~~credited to the General Fund and may be used to support~~ used for State and local public health programs and ~~activities; provided that not~~ activities. No more than thirty-three and one-third percent (33 - 1/3%) of the fees collected may be used to support State health programs and activities. ~~The Department shall make an annual report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division that shall include the fees collected and disbursed under this subsection and any other information requested by the General Assembly or the Commission.~~"

Sec. 8. G.S. 130A-291.1(e) reads as rewritten:

"(e) ~~Every septage management firm operating one septage pumper truck shall pay to the Department an annual fee of three hundred dollars ($300.00) by 1 January for that calendar year. Every septage management firm operating two or more septage pumper trucks shall pay to the Department an annual fee of four hundred dollars ($400.00) by 1 January for that calendar year.~~ A septage management firm shall pay an annual fee to the Department. The fee is due by January 1 of each year and varies as follows with the number of septage pumper trucks operated:

Number of Septage Pumper Trucks Operated	Fee
1	$300
2 or more	$400.

All fees collected ~~by the Department~~ under this subsection shall be ~~deposited with the State Treasurer and shall be used, subject to appropriation by the General Assembly, to staff and support and support~~ applied to the costs of the septage management program."

Sec. 9. G.S. 130A-294.1(d) reads as rewritten:

"(d) The Hazardous Waste Management Account is established as a nonreverting account within the Department. All fees collected ~~by the Department~~ under this section shall be ~~deposited in a separate nonreverting fund within the Office of State Budget to be used, subject to appropriation by the General Assembly, to pay a portion of the State's share of the cost of the hazardous waste management program,~~ credited to the Account and shall be used for the purposes listed in subsection (b)."

Sec. 10. G.S. 130A-326(7) reads as rewritten:

"(7) Establish and collect fees for certification and certification renewal of laboratories to perform analyses for compliance under this Article. The fees shall not exceed twenty dollars ($20.00) per analyte certified. The minimum fee for certification or certification renewal shall be two hundred fifty dollars ($250.00) per analyte category. The maximum fee for certification or certification renewal shall be six hundred dollars ($600.00) per analyte category. The fees collected under ~~authority of~~ this subdivision shall be used to administer blind performance evaluation samples to certified laboratories to determine compliance with certification ~~requirements, subject to appropriation for such purpose by the General Assembly.~~ requirements."

Sec. 11. G.S. 130A-328(b) reads as rewritten:

"(b) The following fees are imposed for the issuance or renewal of a permit to operate a community water system; the fees are based on the number of persons served by the system:

~~Number of Persons Served~~ Number of Persons Served	~~Fee~~ Fee
~~100 or fewer~~	~~$150~~
More than 100 but no more than 500	$175
More than 500 but no more than 3300	$300
More than 3300 but no more than 5000	$450
More than 5000 but no more than 10,000	$550
More than 10,000 but no more than 50,000	$650
More than 50,000	$850

All fees collected under this section shall be ~~credited to the General Fund and shall be used, subject to appropriation by the General Assembly to the Department, to defray the cost~~ applied to the costs of administering and enforcing this Article."

Sec. 12. G.S. 143-215.3A reads as rewritten:

"*§ 143-215.3A. Use of application and permit fees.*

(a) ~~There is established a separate~~ The Water and Air Quality Account is established as a nonreverting account within the ~~Department of Environment, Health, and Natural Resources. The account may be used, to the extent appropriated by the General Assembly, to (i) defray the expenses of any project or program supporting the permitting and compliance activities needed to protect the State's surface water, groundwater, and air quality, and (ii) establish additional permanent positions, under the Personnel Act, for water, groundwater, and air quality permitting and compliance activities. All~~ Department. Revenue in the Account shall be applied to the costs of administering the programs for which the fees were collected. Except for the following fees, all application fees and permit administration fees collected by the State for permits issued under Articles 21, 21A, 21B, and ~~38, except those~~ 38 of this Chapter shall be credited to the Account:

(1) Fees collected under Part 2 of Article 21A and ~~deposited in~~ credited to the Oil or Other Hazardous Substances Pollution Protection ~~Fund and those~~ Fund.

(2) Fees ~~collected pursuant to G.S. 143-215.3(a)(1d) and deposited in~~ credited to the Title V ~~nonreverting account, and except as provided in G.S. 143-215.28A and G.S. 143-215.3B shall be credited to the account.~~ Account.

(3) Fees credited to the Wastewater Treatment Works Emergency Maintenance, Operation and Repair Fund under G.S. 143-215.3B.

(4) Fees collected under G.S. 143-215.28A.

The total monies collected per year from fees for permits under G.S. 143-215.3(a)(1a), after deducting those monies collected under G.S. 143-215.3(a)(1d), shall not exceed thirty percent (30%) of the total budgets from all sources of environmental permitting and compliance programs within the ~~Department of Environment, Health, and Natural Resources.~~ Department.

(b) ~~There is also~~ The Title V Account is established as a ~~separate~~ nonreverting account within the ~~Department of Environment, Health, and Natural Resources. The account shall be used, to the extent appropriated by the General Assembly, exclusively~~ Department. Revenue in the Account shall be used for developing and implementing a permit program that meets the requirements of Title

V. The Title V ~~nonreverting account~~ Account shall consist of fees collected pursuant to G.S. 143-215.3(a)(1d) and G.S. 143-215.106A. Fees collected under G.S. 143-215.3(a)(1d) shall be used only to cover the direct and indirect costs required to develop and administer the Title V permit program, and fees collected under G.S. 143-215.106A shall be used only for the eligible expenses of the Title V program. Expenses of the Air Quality Compliance Advisory Panel, the ombudsman for the Small Business Stationary Source Technical and Environmental Compliance Assistance Program, support staff, equipment, legal services provided by the Attorney General, and contracts with consultants and program expenses listed in section 502(b)(3)(A) of Title V shall be included among Title V program expenses.

(c) The Department shall make an annual report to the General Assembly and its Fiscal Research Division on the cost of the State's environmental permitting programs contained within such Department. In addition, the Department shall make an annual report to the General Assembly and its Fiscal Research Division on the cost of the Title V program. The reports shall include, but are not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly."

Sec. 13. G.S. 143-213 is amended by adding a new subdivision to read:

"(29b) 'Title V Account' means the Account established in G.S. 143-215.3A(b)."

Sec. 14. G.S. 143-215.3(a)(1d) reads as rewritten:

"(1d) The Commission may adopt and implement a graduated fee schedule sufficient to cover all ~~reasonable~~ direct and indirect costs required for the State to develop and administer a permit program which meets the requirements of Title V. The provisions of subdivision (1b) of this subsection do not apply to the adoption of a fee schedule under this subdivision. In adopting and implementing a fee schedule, the Commission shall require that the owner or operator of all air contaminant sources subject to the requirement to obtain a permit under Title V to pay an annual fee, or the equivalent over some other period, sufficient to cover costs as provided in section 502(b)(3)(A) of Title V. The fee schedule shall

be adopted according to the procedures set out in Chapter 150B of the General Statutes.

a. The total amount of fees collected under the fee schedule adopted pursuant to this subdivision shall conform to the requirements of section 502(b)(3)(B) of Title V. No fee shall be collected for more than 4,000 tons per year of any individual regulated pollutant, as defined in section 502(b)(3)(B)(ii) of Title V, emitted by any source. Fees collected pursuant to this subdivision shall be ~~used solely to cover all reasonable direct and indirect costs required to develop and administer the Title V permit program.~~ credited to the Title V Account.

b. The Commission may reduce any permit fee required under this section to take into account the financial resources of small business stationary sources as defined under Title V and regulations promulgated by the United States Environmental Protection Agency.

c. When funds in the Title V ~~nonreverting account established in G.S. 143-215.3A~~ Account exceed the total amount necessary to cover the cost of the Title V program for the next fiscal year, the Secretary shall reduce the amount billed for the next fiscal year so that the excess funds are used to supplement the cost of administering the Title V permit program in that fiscal year."

Sec. 15. G.S. 143-215.28A reads as rewritten:

"§ *143-215.28A. Application fees.*

(a) In accordance with G.S. 143-215.3(a)(1a), the Commission may establish a fee schedule for processing applications for approvals of construction, repair, alteration, or removal of dams issued under this Part. In establishing the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for processing the applications and for related compliance activities. The total amount of fees collected in any fiscal year may not exceed one-third of the total personnel and administrative costs incurred by the Department for processing the applications and for related compliance activities in the prior fiscal ~~year, but in no event may any one~~ year. An approval fee may not exceed the larger of two hundred dollars ($200.00) or two percent (2%) of the actual cost of ~~construction.~~ construction or removal of the applicable dam. The provisions of G.S. 143-215.3(a)(1b) do not apply to these fees.

(b) Fees collected under this section shall be applied to the costs of administering this Part. ~~credited to the General Fund and may be used to:~~

~~(1) Defray the expenses of any project or program, including educational programs, supporting the application review and compliance activities under this Part; and~~

~~(2) Establish additional permanent positions, subject to Chapter 126 of the General Statutes, to conduct application review and compliance activities under this Part.~~

~~(c) The Department shall make a biennial report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division on the cost of the State's dam safety program. The report shall include the fees established and collected under this section and any other information requested by the General Assembly or the Commission.~~"

Sec. 16. G.S. 143B-290(4) is recodified as G.S. 74-54.1 and reads as rewritten:

"*§ 74-54.1. Permit fees.*

~~(4)~~ ~~a.~~ The Commission may establish a fee schedule for the processing of permit applications and permit renewals and modifications. The fees may vary on the basis of the acreage, size, and nature of the proposed or permitted operations or modifications. In establishing the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for processing applications for permits and permit renewals and modifications and for related compliance activities and safeguards to prevent unusual fee assessments ~~which~~ that would ~~result in~~ impose a serious economic burden on an individual applicant or a class of applicants.

The

~~b. The~~ total amount of permit fees collected for any fiscal year may not exceed one-third of the total personnel and administrative costs incurred by the Department for processing applications for permits and permit renewals and modifications and for related compliance costs in the prior fiscal ~~year, but in no event may they~~ year. A fee for an application for a new permit may not exceed two thousand five hundred dollars ~~($2,500) for any application for a new permit or~~ ($2,500), and a fee for an application to renew or modify a permit may not exceed five hundred dollars ~~($500.00) for any application for a permit renewal or modification.~~ ($500.00). Fees

~~c.~~ ~~Fees~~ collected under this ~~subdivision~~ section shall be ~~credited to the General Fund and may be used to:~~

~~1. Defray the expenses of any project or program, including education programs, supporting the permitting~~

~~and compliance activities under Article 7 of Chapter 74 of the General Statutes;~~

~~2. Establish additional permanent positions, under Chapter 126 of the General Statutes, to conduct permitting, compliance, and educational activities under Article 7 of Chapter 74 of the General Statutes; and~~

~~3. Improve the efficiency and decrease the length of the processing period for permit applications.~~

applied to the costs of administering this Article.

~~d.~~ The Department shall make an annual report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division on the cost of the State's mining permit program. The report shall include the fees established, collected, and disbursed under this section and any other information requested by the General Assembly or the Commission."

Sec. 17. G.S. 143-215.106A(a) reads as rewritten:

"(a) The holders of permits issued by the Commission for the control of sources of air pollution are assessed Title V program implementation fees on an annual basis in accordance with the schedule established in this section. The assessments are in addition to any other fees required to be paid by the permit holders in conjunction with the permits. The assessments shall be ~~deposited in the separate nonreverting account established by G.S. 143-215.3A(b) for the Title V program, and shall be used only to defray the eligible expenses of the Title V program.~~ credited to the Title V Account. The Secretary shall issue annual notices of the assessments to permit holders on or before 1 July of each fiscal year. Each notice of assessment shall include a summary of the data on which the assessment is based. Assessments shall be payable 30 days after receipt of notice. Failure to make timely payment within 90 days shall be grounds to revoke the permit and to institute a collection action against the permit holder by the Attorney General."

Sec. 18. G.S. 166A-6.1 reads as rewritten:

"*§ 166A-6.1. Emergency planning; charge.*

(a) Every person, firm, corporation or municipality who is licensed to construct or who is operating a fixed nuclear facility for the production of electricity shall pay to ~~the State of North Carolina for use of~~ the Department of Crime Control and Public Safety an annual fee of at least thirty thousand dollars ($30,000) for each fixed nuclear facility which is located within this State or has a Plume Exposure Pathway Emergency Planning Zone of which any part is located within this State. This fee is to be ~~used to assist in or partially defray such~~ applied to the costs of planning and implementing emergency response activities as are required by the Federal Emergency Management

Agency for the operation of nuclear facilities. Said fee is to be paid no later than July 31 of each year. This minimum fee may be increased from time to time as the costs of such planning and implementation increase. Such increases shall be by agreement between the State and the licensees or operators of the fixed nuclear facilities.

(b) Every person, firm, corporation or municipality who is licensed to construct or who is operating a fixed nuclear facility for the production of electricity shall pay to the ~~General Fund~~ Department of Crime Control and Public Safety, for the use of the Radiation Protection Division of the Department of Environment, Health, and Natural Resources, an annual fee of eighteen thousand dollars ($18,000) for each fixed nuclear facility which is located within this State or has a Plume Exposure Pathway Emergency Planning Zone of which any part is located within this State. This fee shall be ~~appropriated by the General Assembly and may be used to assist in or partially defray such~~ applied to the costs of planning and implementing emergency response activities as are required by the Federal Emergency Management Agency for the operation of nuclear facilities. Said fee is to be paid no later than July 31 of each year. ~~The fee will be referred to the Department of Crime Control and Public Safety for collection.~~

(c) ~~Licensees or operators of fixed nuclear facilities are required to pay the fees required by this section for the first year on or before November 1, 1981, and for succeeding years on or before July 31 of each year. In the event that any funds collected for the purposes set forth herein are unexpended at the end of the fiscal year, such funds shall be brought forward to the next fiscal year thereby proportionally reducing~~ The fees imposed by this section do not revert at the end of a fiscal year. The amount of fees carried forward from one fiscal year to the next shall be taken into consideration in determining the fee to be assessed each fixed nuclear facility under subsection (a) in ~~such next~~ that fiscal year."

Sec. 19. Sections 157, 158, 159, 226, 227, 228, 230, and 231 of Chapter 689 of the 1991 Session Laws and Sections 161, 162, 163, and 164 of Chapter 900 of the 1991 Session Laws (Reg. Sess. 1992) are repealed.

Sec. 20. Section 37.1 of Chapter 761 of the 1991 Session Laws is repealed.

Sec. 20.1. G.S. 143-215.3(a)(10) reads as rewritten:

"(10) To require a laboratory facility to be certified by the Department before performing any tests, analyses, measurements, or monitoring required under this Article or Article 21B of this Chapter and to establish fees

therefor. These fees ~~collected by the Department shall remain available to the Department to be used to offset~~ shall be applied to the cost of certifying commercial, industrial, and municipal laboratory facilities."

Sec. 20.2. G.S. 130A-270 reads as rewritten:

"*§ 130A-270. Bedding ~~law fund.~~ Law Account.*

~~(a)~~ The Bedding Law Account is established as a nonreverting account within the Department. All ~~money~~ fees collected under this Part shall be ~~paid to the Secretary who shall place all money in a special 'bedding law fund' which is created and specifically appropriated to the Department solely for expenses in furtherance of the enforcement of this Part.~~ credited to the Account and applied to the following costs:

~~(b) All money in the 'bedding law fund' shall be expended solely for:~~

(1) Salaries and expenses of inspectors and other employees who enforce this ~~Part; or~~ Part.

(2) Expenses directly connected with the enforcement of this Part, including attorney's fees, which are expressly authorized to be incurred by the Secretary without authority from any other source when in the Secretary's opinion it is advisable to employ an attorney to prosecute any persons. ~~A sum not exceeding twenty percent (20%) of the salaries and expenses above enumerated may be used for supervision and general expenses of the Department.~~"

Sec. 21. G.S. 7A-101(c) reads as rewritten:

"(c) In lieu of merit and other increment raises paid to regular State employees, a clerk of superior court shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the clerk's annual salary ~~set forth in the Budget Appropriation Act~~ payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20 years of service. Service shall mean service in the elective position of clerk of superior court, as an assistant clerk of court and as a supervisor of clerks of superior court with the Administrative Office of the Courts and shall not include service as a deputy or acting clerk. Service shall also mean service as a justice or judge of the General Court of Justice or as a district attorney."

Sec. 22. G.S. 53-96 reads as rewritten:

"*§ 53-96. Salary of Commissioner; legal assistance and compensation.*

The salary of the Commissioner of Banks shall be fixed by the General Assembly in the ~~Budget Appropriation Act.~~ Current Operations Appropriations Act. The Governor may ~~in his discretion~~

appoint and assign legal assistance to the Commissioner of Banks ~~such legal assistance as in his judgment may be~~ when the Governor considers it necessary. Compensation of those appointed and assigned to provide legal assistance shall be within the salary classification for attorneys established by the State Personnel Commission."

Sec. 23. G.S. 113-54 reads as rewritten:

"*§ 113-54. Duties of forest rangers; payment of expenses by State and counties.*

Forest rangers shall have charge of measures for controlling forest fires, protection of forests from pests and diseases, and the development and improvement of the forests for maximum production of forest products; shall post along highways and in other conspicuous places copies of the forest fire laws and warnings against fires, which shall be supplied by the Secretary; shall patrol and man lookout towers and other points during dry and dangerous seasons under the direction of the ~~Secretary,~~ Secretary; and shall perform such other acts and duties as shall be considered necessary by the Secretary in the protection, development and improvement of the forested area of each of the counties within the State. No county may be held liable for any part of the expenses thus incurred unless specifically authorized by the board of county commissioners under prior written agreement with the Secretary; appropriations for meeting the county's share of such expenses so authorized by the board of county commissioners shall be provided annually in the county budget. For each county in which financial participation by the county is authorized, the Secretary shall keep or cause to be kept an itemized account of all expenses thus incurred and shall send such accounts periodically to the board of county commissioners of said county; upon approval by the board of the correctness of such accounts, the county commissioners shall issue or cause to be issued a warrant on the county treasury for the payment of the county's share of such expenditures, said payment to be made within one month after receipt of such statement from the Secretary. Appropriations made by a county for the purposes set out in Articles 4, 4A, 4C and 6A of this Chapter in the cooperative forest protection, development and improvement work are not to replace State and federal funds which may be available to the Secretary for the work in said county, but are to serve as a supplement thereto. ~~The funds~~ Funds appropriated to the Department ~~in the biennial budget appropriation act~~ for a fiscal year for the purposes set out in Articles 4, 4A, 4C and 6A of this Chapter shall not be expended in a county unless that county shall contribute at least twenty-five percent (25%) of the total cost of the forestry program."

Sec. 24. G.S. 115C-249(h) reads as rewritten:

"(h) Appropriations ~~made in the biennial Budget Appropriation Act~~ by the General Assembly for the purchase of public school buses ~~shall be permanent appropriations, and unexpended portions of those appropriations~~ shall not revert to the General ~~Fund at the end of the biennium for which appropriated.~~ Fund. Any unexpended portion of those appropriations shall at the end of each fiscal year be transferred to a reserve account and ~~shall~~ be held, together with any other funds appropriated for the purpose, for the purchase of public school buses."

Sec. 25. G.S. 116-11(9)b. reads as rewritten:

"(9) b. Funds for the continuing operation of each constituent institution shall be appropriated directly to the institution. Funds for salary increases for employees exempt from the State Personnel Act shall be appropriated to the ~~board~~ Board in a lump sum for allocation to the institutions. Funds for the third category in paragraph a of this subdivision shall be appropriated to the Board in a lump ~~sum. The Board shall allocate~~ sum for allocation to the ~~institutions any funds appropriated, said allocation to be made~~ institutions. The Board shall make allocations among the institutions in accordance with the Board's schedule of priorities and ~~in accordance with~~ any specifications in the ~~Budget Appropriation Act; provided, however, that when~~ Current Operations Appropriations Act. When both the Board and the Director of the Budget deem it to be in the best interest of the State, funds in the third category may be allocated, in whole or in part, for other items within the list of priorities or for items not included in the list. Provided, nothing herein shall be construed to allow the General Assembly, except as to capital improvements, to refer to particular constituent institutions in any specifications as to priorities in the third category. Prior to taking any action under this paragraph, the Director of the Budget may consult with the Advisory Budget Commission."

Sec. 26. G.S. 122A-4(f) reads as rewritten:

"(f) The Governor shall designate from among the members of the Board a chairman and a vice-chairman. The terms of the chairman and vice-chairman shall extend to the earlier of either two years or the date of expiration of their then current terms as members of the Board of Directors of the Agency. The Agency shall exercise all of its prescribed statutory powers independently of any principal State Department except as described in this Chapter. The Executive

Director of the Agency shall be appointed by the Board of Directors, subject to approval by the Governor. All staff and employees of the Agency shall be appointed by the Executive Director, subject to approval by the Board of Directors; shall be eligible for participation in the State Employees' Retirement System; and shall be exempt from the provisions of the State Personnel Act. All employees other than the Executive Director shall be compensated in accordance with the salary schedules adopted pursuant to the State Personnel Act. The salary of the Executive Director shall be fixed by the General Assembly in the Current Operations Appropriations Act. The salary of the Executive Director and all staff and employees of the Agency shall not be subject to any limitations imposed pursuant to any salary schedule adopted pursuant to the terms of the State Personnel Act. The Board of Directors shall, subject to the approval of the Governor, elect and prescribe the duties of ~~such~~ any other officers ~~as~~ it ~~shall deem~~ finds necessary or advisable, and the General Assembly shall fix the compensation of ~~such~~ these officers in the ~~Budget Appropriation~~ Current Operations Appropriations Act. The books and records of the Agency shall be maintained by the Agency and shall be subject to periodic review and audit by the State.

No part of the revenues or assets of the Agency shall inure to the benefit of or be distributable to its members or officers or other private persons. The members of the Agency shall receive no compensation for their services but shall be entitled to receive, from funds of the Agency, for attendance at meetings of the Agency or any committee thereof and for other services for the Agency reimbursement for such actual expenses as may be incurred for travel and subsistence in the performance of official duties and such per diem as is allowed by law for members of other State boards, commissions and committees.

The Executive Director shall administer, manage and direct the affairs and business of the Agency, subject to the policies, control and direction of the members of the Agency Board of Directors. The Secretary of the Agency shall keep a record of the proceedings of the Agency and shall be custodian of all books, documents and papers filed with the Agency, the minute book or journal of the Agency and its official seal. ~~He shall have authority to cause copies to be~~ The Secretary may have copies made of all minutes and other records and documents of the Agency and ~~to~~ may give certificates under the official seal of the Agency to the effect that such copies are true copies, and all persons dealing with the Agency may rely upon such certificates. Seven members of the Board of Directors of the Agency shall constitute a quorum and the affirmative vote of a majority of the members present at a meeting of the Board of Directors duly called

and held shall be necessary for any action taken by the Board of Directors of the Agency, except adjournment; provided, however, that the Board of Directors may appoint an executive committee to act in behalf of said Board during the period between regular meetings of said Board, and said committee shall have full power to act upon the vote of a majority of its members. No vacancy in the membership of the Agency shall impair the rights of a quorum to exercise all the rights and to perform all the duties of the Agency."

Sec. 27. G.S. 143B-426.37 reads as rewritten:

"§ *143B-426.37. State Controller.*

(a) The Office of the State Controller shall be headed by the State Controller who shall maintain the State accounting system and shall administer the State disbursing system.

(b) The State Controller shall be a person qualified by education and experience for the ~~office. He~~ office and shall be appointed by the Governor subject to confirmation by the General Assembly. The term of office of the State Controller shall be for seven years; the first full term shall begin July 1, 1987.

The Governor shall submit the name of the person to be appointed, for confirmation by the General Assembly, to the President of the Senate and the Speaker of the House of Representatives by May 1 of the year in which the State Controller is to be appointed. If the Governor does not submit the name by that date, the President of the Senate and the Speaker of the House of Representatives shall submit a name to the General Assembly for confirmation.

In case of death, incapacity, resignation, removal by the Governor for cause, or vacancy for any other reason in the Office of State Controller prior to the expiration of ~~his~~ the term of office while the General Assembly is in session, the Governor shall submit the name of ~~his~~ a successor to the President of the Senate and the Speaker of the House of Representatives within four weeks after the vacancy occurs. If the Governor does not do so, the President of the Senate and the Speaker of the House of Representatives shall submit a name to the General Assembly for confirmation.

In case of death, incapacity, resignation, removal by the Governor for cause, or vacancy for any other reason in the Office of State Controller prior to the expiration of ~~his~~ the term of office while the General Assembly is not in session, the Governor shall appoint a State Controller to serve on an interim basis pending confirmation by the General Assembly.

~~Notwithstanding the provisions of this section, the Governor may appoint a State Controller to serve from August 1, 1986, until July 1, 1987, or until the 1987 General Assembly disapproves the appointment.~~

(c) The salary of the State Controller shall be set by the General Assembly in the ~~Budget~~ Current Operations Appropriations Act."

Sec. 28. This act is effective upon ratification.

All fees collected under G.S. 90A-42, 130A-125, or 130A-294.1 and designated as nonreverting before the effective date of this act shall be credited to the respective accounts established by those statutes in this act. All fees credited to the nonreverting vital records automation fund under G.S. 130A-93.1(b) before the effective date of this act shall be credited to the account established by that statute in this act. All fees credited to the nonreverting account established in G.S. 143-215.3A(b) before the effective date of this act shall be credited to the Title V Account established by this act.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 977 **CHAPTER 1040**

AN ACT TO MAKE APPOINTMENTS TO PUBLIC OFFICE UPON THE RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE SENATE AND TO CORRECT AN APPOINTMENT.

Whereas, G.S 120-121 authorizes the General Assembly to make certain appointments to public office upon the recommendation of the President Pro Tempore of the Senate; and

Whereas, the President Pro Tempore of the Senate has made such recommendations; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. Steven Levitas of Wake County is appointed to the Genetic Engineering Review Board for a term to expire on June 30, 1995.

Sec. 2. Durwood Batchelor of Wake County is appointed to the North Carolina Manufactured Housing Board for a term beginning October 1, 1992, and expiring September 30, 1995. This is the categorical appointment for a manufactured home supplier.

Sec. 3. Billy Glover of Harnett County is appointed to the North Carolina Manufactured Housing Board for a term beginning October 1, 1992, and expiring September 30, 1995. This is the categorical appointment for a set-up contractor.

Sec. 4. Henry Von Olsen of New Hanover County is appointed to the North Carolina Hazardous Waste Management Commission for a term expiring June 30, 1994.

Sec. 5. Lee Pridgen of Sampson County is appointed to the North Carolina Center for Nursing Board of Directors for a term expiring June 30, 1995. This is the categorical appointment for a representative of the hospital industry.

Sec. 6. Section 8 of Chapter 759, Session Laws of 1991, reads as rewritten:

"Sec. 8. Henry Faircloth of Sampson County is appointed to the Real Estate Appraisal Board for a term to expire on June 30, ~~1994~~ 1993."

Sec. 7. Senator Beverly Perdue of Craven County and Senator Howard Lee of Orange County are appointed to the North Carolina Travel and Tourism Board for terms beginning on January 1, 1993, and expiring on December 31, 1994. William J. Williamson of Watauga County is appointed to the North Carolina Travel and Tourism Board for a term beginning on January 1, 1993, and expiring on December 31, 1994. This is the categorical appointment for a person associated with the tourism-related transportation industry. Ralph Peters of Mecklenburg County is appointed to the North Carolina Travel and Tourism Board for a term beginning on January 1, 1993, and expiring on December 31, 1994. This is the categorical appointment for a public member interested in matters relating to travel and tourism.

Sec. 7.1. Jeff Turlington of Harnett County is appointed to The North Carolina Petroleum Underground Storage Tank Funds Council for a term expiring June 30, 1993. This is the categorical appointment for a person who shall, at the time of appointment, be actively engaged in farming and the owner of a noncommercial petroleum underground storage tank or actively connected with an organization representing farmers.

Sec. 8. Except as otherwise provided, appointments made by this act are for terms commencing upon ratification.

Sec. 9. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 508 **CHAPTER 1041**

AN ACT TO INCREASE THE PUNISHMENT TO A FELONY FOR FORTIFICATION OF A STRUCTURE USED FOR ILLEGAL CONTROLLED SUBSTANCE ACTIVITY FOR THE PURPOSE OF IMPEDING LAW ENFORCEMENT ENTRY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 90-108 reads as rewritten:

"§ *90-108. Prohibited acts; penalties.*

(a) It shall be unlawful for any person:

(1) Other than practitioners licensed under Articles 1, 2, 4, 6, 11, 12A of this Chapter to represent to any registrant or practitioner who manufactures, distributes, or dispenses a controlled substance under the provision of this Article that he is a licensed practitioner in order to secure or attempt to secure any controlled substance as defined in this Article or to in any way impersonate a practitioner for the purpose of securing or attempting to secure any drug requiring a prescription from a practitioner as listed above and who is licensed by this State;

(2) Who is subject to the requirements of G.S. 90-101 or a practitioner to distribute or dispense a controlled substance in violation of G.S. 90-105 or 90-106;

(3) Who is a registrant to manufacture, distribute, or dispense a controlled substance not authorized by his registration to another registrant or other authorized person;

(4) To omit, remove, alter, or obliterate a symbol required by the Federal Controlled Substances Act or its successor;

(5) To refuse or fail to make, keep, or furnish any record, notification, order form, statement, invoice or information required under this Article;

(6) To refuse any entry into any premises or inspection authorized by this Article;

(7) To knowingly keep or maintain any store, shop, warehouse, dwelling house, building, vehicle, boat, aircraft, or any place whatever, which is resorted to by persons using controlled substances in violation of this Article for the purpose of using such substances, or which is used for the keeping or selling of the same in violation of this Article;

(8) Who is a registrant or a practitioner to distribute a controlled substance included in Schedule I or II of this Article in the course of his legitimate business, except pursuant to an order form as required by G.S. 90-105;

(9) To use in the course of the manufacture or distribution of a controlled substance a registration number which is fictitious, revoked, suspended, or issued to another person;

(10) To acquire or obtain possession of a controlled substance by misrepresentation, fraud, forgery, deception, or subterfuge;

(11) To furnish false or fraudulent material information in, or omit any material information from, any application,

report, or other document required to be kept or filed under this Article, or any record required to be kept by this Article:

(12) To make, distribute, or possess any punch, die, plate, stone, or other thing designed to print, imprint, or reproduce the trademark, trade name, or other identifying mark, imprint, or device of another or any likeness of any of the foregoing upon any drug or container or labeling thereof so as to render such drug a counterfeit controlled substance;

(13) To obtain controlled substances through the use of legal prescriptions which have been obtained by the knowing and willful misrepresentation to or by the intentional withholding of information from one or more practitioners;

(14) Who is an employee of a registrant or practitioner and who is authorized to possess controlled substances or has access to controlled substances by virtue of his employment, to embezzle or fraudulently or knowingly and willfully misapply or divert to his own use or other unauthorized or illegal use or to take, make away with or secrete, with intent to embezzle or fraudulently or knowingly and willfully misapply or divert to his own use or other unauthorized or illegal use any controlled substance which shall have come into his possession or under his care.

(b) Any person who violates this section shall be guilty of a misdemeanor. Provided, that if the criminal pleading alleges that the violation was committed intentionally, and upon trial it is specifically found that the violation was committed intentionally, such violations shall be a Class I felony. A person who violates subdivision (7) of subsection (a) of this section and also fortifies the structure, with the intent to impede law enforcement entry, (by barricading windows and doors) shall be punished as a Class I felon."

Sec. 2. This act becomes effective October 1, 1992, and applies to offenses committed on or after that date.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.B. 1229 **CHAPTER 1042**

AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE REGISTRATION PLATES DEPICTING VARIOUS HISTORICAL ATTRACTIONS IN NORTH CAROLINA, TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE OUT-OF-STATE COLLEGIATE

INSIGNIA PLATES AND MILITARY RETIREE PLATES, AND TO PROVIDE FOR THE DISTRIBUTION OF THE INCOME FROM THESE PLATES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 20-79.4 reads as rewritten:

"*§ 20-79.4. Special registration plates.*

(a) ~~Types. --~~ General. -- Upon application and payment of the required registration fees, a person may obtain from the Division a special registration plate for a motor vehicle registered in that person's name if the person qualifies for the registration plate. A special registration plate, with the exception of a personalized registration plate, may not be issued for a vehicle registered under the International Registration Plan or for a commercial truck. A holder of a special registration plate who becomes ineligible for the plate, for whatever reason, must return the special plate within 30 days.

(b) Types. -- The Division shall issue the following types of special registration plates:

(1) Administrative Officer of the Courts. -- Issuable to the Director of the Administrative Office of the Courts. The plate shall bear the phrase 'J-20'.

(2) Amateur Radio Operator. -- Issuable to an amateur radio operator who holds an unexpired and unrevoked amateur radio license issued by the Federal Communications Commission and who asserts to the Division that a portable transceiver is carried in the vehicle. The plate shall bear the phrase 'Amateur Radio.' The plate shall bear the operator's official amateur radio call letters, or call letters with numerical or letter suffixes so that an owner of more than one vehicle may have the call letters on each.

(3) Civil Air Patrol Member. -- Issuable to an active member of the North Carolina Wing of the Civil Air Patrol. The plate shall bear the phrase 'Civil Air Patrol'. A plate issued to an officer member shall begin with the number '201' and the number shall reflect the seniority of the member; a plate issued to an enlisted member, a senior member, or a cadet member shall begin with the number '501'.

(4) Class D Citizen's Radio Station Operator. -- Issuable to a Class D citizen's radio station operator licensed by the Federal Communications Commission. The plate shall bear the operator's official Class D citizen's radio station call letters.

(5) Clerk of Superior Court. -- Issuable to a clerk of superior court. The plate shall bear the phrase 'Clerk Superior Court' and the letter 'C' followed by a number that indicates the county the clerk serves.

(6) Coast Guard Auxiliary Member. -- Issuable to an active member of the United States Coast Guard Auxiliary. The plate shall bear the phrase 'Coast Guard Auxiliary'.

(6a) Collegiate Insignia Plate. -- Issuable to the registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate may bear a phrase or an insignia representing a public or private college or university.

(7) Congressional Medal of Honor Recipient. -- Issuable to a recipient of the Congressional Medal of Honor.

(8) Disabled Veteran. -- Issuable to a veteran of the armed forces of the United States who suffered a 100% service-connected disability.

(9) District Attorney. -- Issuable to a North Carolina or United States District Attorney. The plate issuable to a North Carolina district attorney shall bear the letters 'DA' followed by a number that represents the prosecutorial district the district attorney serves. The plate for a United States attorney shall bear the phrase 'U.S. Attorney' followed by a number that represents the district the attorney serves, with 1 being the Eastern District, 2 being the Middle District, and 3 being the Western District.

(10) Fire Department or Rescue Squad Member. -- Issuable to an active regular member or volunteer member of a fire department, rescue squad, or both a fire department and rescue squad. The plate shall bear the words 'Firefighter', 'Rescue Squad', or 'Firefighter-Rescue Squad'.

(11) Historic Vehicle Owner. -- Issuable for a motor vehicle that is at least 35 years old measured from the date of manufacture. The plate for a vehicle that is 35 to 50 years old shall bear the phrase 'Antique'. The plate for a vehicle that is at least 50 years old shall bear the phrase 'Horseless Carriage'.

(11a) Historical Attraction Plate. -- Issuable to the registered owner of a motor vehicle in accordance with G.S. 20-81.12. The plate may bear a phrase or an insignia representing a publicly owned or nonprofit historical attraction located in North Carolina.

(12) Honorary Plate. -- Issuable to a member of the Honorary Consulor Corps, who has been certified by the U. S. State

Department, the plate shall bear the words 'Honorary Consulor Corps' and a distinguishing number based on the order of issuance.

(13) Judge or Justice. -- Issuable to a sitting or retired judge or justice in accordance with G.S. 20-79.6.

(14) Legislator. -- Issuable to a member of the North Carolina General Assembly. The plate shall bear the words 'Senate' or 'State House' followed by the Senator's or Representative's assigned seat number.

(15) Marshal. -- Issuable to a United States Marshal. The plate shall bear the phrase 'U.S. Marshal' followed by a number that represents the district the Marshal serves, with 1 being the Eastern District, 2 being the Middle District, and 3 being the Western District.

(16) Military Reservist. -- Issuable to a member of a reserve component of the armed forces of the United States. The plate shall bear the name and insignia of the appropriate reserve component. Plates shall be numbered sequentially for members of a component with the numbers 1 through 5000 reserved for officers, without regard to rank.

(16a) Military Retiree. -- Issuable to an individual who has retired from the armed forces of the United States. The plate shall bear the phrase 'U.S. Armed Forces Retired' and the name of the branch of service from which the individual retired.

(17) National Guard Member. -- Issuable to an active or a retired member of the North Carolina National Guard. The plate shall bear the phrase 'National Guard'. A plate issued to an active member shall bear a number that reflects the seniority of the member; a plate issued to a commissioned officer shall begin with the number '1'; a plate issued to a noncommissioned officer with a rank of E7, E8, or E9 shall begin with the number '1601'; a plate issued to an enlisted member with a rank of E6 or below shall begin with the number '3001'. The plate issued to a retired or separated member shall indicate the member's retired status.

(18) Partially Disabled Veteran. -- Issuable to a veteran of the armed forces of the United States who suffered a service connected disability of less than 100%.

(19) Pearl Harbor Survivor. -- Issuable to a veteran of the armed forces of the United States who was present at and survived the attack on Pearl Harbor on December 7, 1941. The plate will bear the phrase 'Pearl Harbor

Survivor' and the insignia of the Pearl Harbor Survivors' Association.

(20) Personalized. -- Issuable to the registered owner of a motor vehicle. The plate will bear the letters or letters and numbers requested by the owner. The Division may refuse to issue a plate with a letter combination that is offensive to good taste and decency. The Division may not issue a plate that duplicates another plate.

(21) Prisoner of War. -- Issuable to a member or veteran member of the armed forces of the United States who has been captured and held prisoner by forces hostile to the United States while serving in the armed forces.

(22) Purple Heart Recipient. -- Issuable to a recipient of the Purple Heart award. The plate shall bear the phrase 'Purple Heart Veteran, Combat Wounded' and the letters 'PH'.

(23) State Government Official. -- Issuable to elected and appointed members of State government in accordance with G.S. 20-79.5.

(24) Street Rod Owner. -- Issuable to the registered owner of a modernized private passenger motor vehicle manufactured prior to the year 1949 or designed to resemble a vehicle manufactured prior to the year 1949. The plate shall bear the phrase 'Street Rod'.

(25) Transportation Personnel. -- Issuable to various members of the Divisions of the Department of Transportation. The plate shall bear the letters 'DOT' followed by a number from 1 to 85, as designated by the Governor.

(26) U.S. Representative. -- Issuable to a United States Representative for North Carolina. The plate shall bear the phrase 'U.S. House' and shall be issued on the basis of Congressional district numbers.

(27) U.S. Senator. -- Issuable to a United States Senator for North Carolina. The plates shall bear the phrase 'U.S. Senate' and shall be issued on the basis of seniority represented by the numbers 1 and 2.

~~(b) Fees. -- Upon request, the Division shall provide and issue free of charge one registration plate to a recipient of the Congressional Medal of Honor, a 100% disabled veteran, and an ex-prisoner of war. The annual fee for a special plate issuable to an active member of the national guard is the amount of the regular motor vehicle registration fee. The annual fee for a personalized plate issued under this section is the amount of the regular motor vehicle registration fee plus an additional twenty dollars ($20.00). The annual fee for any other~~

~~special plate listed in this section is the regular motor vehicle registration fee plus an additional ten dollars ($10.00).~~

~~The Division shall credit one-half of the revenue derived from the additional fee collected for a personalized plate to the Recreation and Natural Heritage Trust Fund established under G.S. 113-77.7. The Division shall credit the remaining revenue derived from the additional fee collected for a personalized plate and all of the additional fee collected for any other special plate to the Special Registration Plate Fund.~~

~~(c) Disqualification. -- A holder of a special license plate who becomes ineligible for the plate, for whatever reason, shall return the special plate within 30 days."~~

Sec. 2. G.S. 20-79.7 reads as rewritten:

"§ *20-79.7.* ~~*Special Registration Plate Fund.*~~ *Fees for Special Registration Plates and distribution of the fees.*

(a) Fees. -- Upon request, the Division shall provide and issue free of charge one registration plate to a recipient of the Congressional Medal of Honor, a 100% disabled veteran, and an ex-prisoner of war. All other special registration plates are subject to the regular motor vehicle registration fee in G.S. 20-87 or G.S. 20-88 plus an additional fee in the following amount:

Special Plate	Additional Fee Amount
Historical Attraction	$30.00
Collegiate Insignia	$25.00
Personalized	$20.00
All other Special Plates	$10.00
Active Member of the National Guard	None

~~Fund. -- The Special Registration Plate Fund is established. The Fund consists of the revenue derived from one-half of the additional fee collected for a personalized registration plate and all of the additional fee collected for any other special registration plate issued under G.S. 20-79.4. The Commissioner shall deduct the costs of the registration plates, including the costs of issuing, handling, and advertising the availability of the special plates from the Fund.~~

(b) ~~Initial Distribution of Proceeds. --~~ Distribution of Fees. -- The Special Registration Plate Account and the Collegiate and Historical Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a) among the Special Registration Plate Account (SRPA), the Collegiate and Historical Attraction Plate Account (CHAPA), and the Recreation and Natural Heritage Trust Fund (RNHTF), which is established under G.S. 113-77.7, as follows:

Special Plate	SRPA	CHAPA	RNHTF
Historical Attraction	$10	$20	0
In-State Collegiate Insignia	$10	$15	0
Out-of-state Collegiate Insignia	$10	0	$15
Personalized	$10	0	$10
All other Special Plates	$10	0	0

After deducting the costs of the special registration plates from the ~~Fund.~~ Special Registration Plate Account, the Secretary of Transportation may allocate and reserve up to one hundred thousand dollars ($100,000) to the Department of Transportation each fiscal year for the purpose of traffic control at major events as provided for by G.S. 136-44.2. Any funds allocated for traffic control that are neither used nor obligated at the end of the fiscal year shall remain in the ~~Fund~~ Special Registration Plate Account and be used in accordance with subsection (c) of this section.

(c) ~~Use of Remaining Proceeds. The remaining revenue in the Fund shall be transferred quarterly as follows:~~ Use of Funds in Special Registration Plate Account. -- The Division shall deduct the costs of special registration plates, including the costs of issuing, handling, and advertising the availability of the special plates, from the Special Registration Plate Account. The Division shall transfer the remaining revenue in the Account quarterly as follows:

(1) Thirty-three percent (33%) to the account of the Department of Economic and Community Development to aid in financing out-of-state print and other media advertising under the program for the promotion of travel and industrial development in this State.

(2) Fifty percent (50%) to the Department of Transportation to be used solely for the purpose of beautification of highways other than those designated as interstate. These funds shall be administered by the Department of Transportation for beautification purposes not inconsistent with good landscaping and engineering principles.

(3) Seventeen percent (17%) to the account of the Department of Human Resources to promote travel accessibility for disabled persons in this State. These funds shall be used to collect and update site information on travel attractions designated by the Department of Economic and Community Development in its publications, to provide technical assistance to travel attractions concerning accommodation of disabled tourists, and to develop, print, and promote the publication ACCESS NORTH CAROLINA as provided in G.S.168-2. Any funds allocated for these purposes that are neither spent nor obligated at the end of the fiscal year shall

be transferred to the Department of Administration for removal of man-made barriers to disabled travelers at State-funded travel attractions. Guidelines for the removal of man-made barriers shall be developed in consultation with the Department of Human Resources."

Sec. 3. G.S. 20-81.12 reads as rewritten:

"*§ 20-81.12. Collegiate insignia ~~plates.~~ plates, high school insignia plates, and historical attraction plates.*

(a) Collegiate Insignia Plates. -- The Division must receive 300 or more applications for a collegiate insignia license plate for a college or university before a collegiate license plate may be developed. The color, design, and material for the plate must be approved by both the Division and the alumni or alumnae association of the appropriate college or university. The Division must transfer quarterly the money in the Collegiate and Historical Attraction Plate Account derived from the sale of in-State collegiate insignia plates to the Board of Governors of The University of North Carolina for in-State, public colleges and universities and to the respective board of trustees for in-State, private colleges and universities in proportion to the number of collegiate plates sold representing that institution for use for academic enhancement. ~~The Division shall develop collegiate license plates as provided in this section for public or private colleges or universities located in this State. The Division shall issue a collegiate license plate to the owner of any motor vehicle, except a vehicle registered under the International Registration Plan or a commercial truck, upon application and payment of the appropriate fees.~~

(b) Historical Attraction Plates. -- The Division must receive 300 or more applications for an historical attraction plate representing a publicly owned or nonprofit historical attraction located in North Carolina and listed below before the plate may be developed. The Division must transfer quarterly the money in the Collegiate and Historical Attraction Plate Account derived from the sale of historical attraction plates to the organizations named below in proportion to the number of historical attraction plates sold representing that organization:

(1) Historical Attraction Within Historic District. -- The revenue derived from the special plate shall be transferred quarterly to the appropriate Historic Preservation Commission, or entity designated as the Historic Preservation Commission, and used to maintain property in the historic district in which the attraction is located. As used in this subdivision, the term 'historic district' means a district created under G.S. 160A-400.4.

(2) Nonprofit Historical Attraction. -- The revenue derived from the special plate shall be transferred quarterly to the nonprofit corporation that is responsible for maintaining the attraction for which the plate is issued and used to develop and operate the attraction.

(3) State Historic Site. -- The revenue derived from the special plate shall be transferred quarterly to the Department of Cultural Resources and used to develop and operate the site for which the plate is issued. As used in this subdivision, the term 'State historic site' has the same meaning as in G.S. 121-2(11).

~~An owner who desires a collegiate insignia plate shall submit an application for the plate on a form provided by the Division and pay the sum of twenty-five dollars ($25.00) annually, which shall be in addition to the regular motor vehicle registration fee.~~

(c) General. -- An application for a ~~collegiate insignia~~ special license plate named in this section may be made at any time during the year. If the application is made ~~for a collegiate insignia license plate~~ to replace an existing current valid plate, the ~~collegiate~~ special plate ~~shall~~ must be issued with the appropriate decals attached. ~~The fee prescribed in subsection (b) of this section shall be paid.~~ No refund shall be made to the applicant for any unused portion remaining on the original plate. The request for a special license plate named in this section may be combined with a request that the plate be a personalized license plate. ~~When application is made for a collegiate insignia license at the beginning of the applicant's registration period, the normal registration fee must be paid in addition to the fee prescribed in subsection (b) of this section.~~

~~(d) Ten dollars ($10.00) of the additional fee imposed by subsection (b) of this section shall be credited to the Personalized Registration Fund established under G.S. 20-81.3 [20-79.7]. The remaining revenue derived from the additional fee imposed by subsection (b) of this section shall be credited to the Collegiate Plate Fund, a separate fund established in the State Treasurer's office. The revenue in the Collegiate Plate Fund shall be transferred quarterly to the Board of Governors of The University of North Carolina for public colleges and universities and to the respective board of trustees for private colleges and universities in proportion to the number of collegiate plates sold representing that institution for use for academic enhancement.~~

~~(e) The collegiate plate may be imprinted with letters and numerals as determined by the Division. Collegiate plates shall be of a color, design, and material approved by both the Division and the alumni or~~

~~alumnae association of the appropriate college or university. The words "North Carolina" shall appear on the plate.~~

~~(f) The request for a collegiate insignia license plate may be combined with a request that the plate be a special personalized registration plate authorized by G.S. 20-81.3, upon payment of the fees required in that section.~~

~~(g) The Division must receive 300 or more applications for a collegiate license plate for a college or university before a collegiate license plate may be developed for that college or university.~~"

Sec. 4. The Board of Directors of a nonprofit corporation responsible for maintaining a Nonprofit Historical Attraction may submit applications for a special plate to the Division of Motor Vehicles requesting that the initial plates bearing the numerals "1" through "100" be issued to the owners named in the applications. The applications must be submitted to the Division on or before January 1, 1993. The Boards of Directors named in this section may accept donations from the applicants for the purpose for which revenue received by the Board from the special plate authorized under G.S. 20-81.12, as amended by this act, may be used.

Sec. 5. Section 4 of this act is effective upon ratification. The remaining sections of this act become effective January 1, 1993.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.B. 561 **CHAPTER 1043**

AN ACT TO PROVIDE FOR THE MINIMUM STANDARDS, DUTIES, AND RESPONSIBILITIES OF COMPANY POLICE OFFICERS AND COMPANY POLICE AGENCIES.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes are amended by adding a new Chapter to read:

"Chapter 74E.

"Company Police Act.

"§ *74E-1. Title.*

This Chapter is the 'Company Police Act' and may be cited by that name.

"§ *74E-2. Policy and scope.*

(a) The purpose of this Chapter is to ensure a minimum level of integrity, proficiency, and competence among company police agencies and company police officers. To achieve this purpose, the General Assembly finds that a Company Police Program needs to be established. As part of the Company Police Program, the Attorney

General is given the authority to certify an agency as a company police agency and to commission an individual as a company police officer.

(b) A public or private educational institution or hospital, a State institution, or a corporation engaged in providing on-site police security personnel services for persons or property may apply to the Attorney General to be certified as a company police agency. A company police agency may apply to the Attorney General to commission an individual designated by the agency to act as a company police officer for the agency.

"§ 74E-3. *Liability insurance policy or certificate of self-insurance required; suspension of company police agency certification for failure to comply.*

(a) An applicant for certification as a company police agency must file with the Attorney General either a copy of a liability insurance policy that meets the requirements of this section or a certificate of self-insurance designating assets sufficient to satisfy the coverage requirements of this section if the applicant is a nonpublic entity. The policy or certificate of self-insurance must provide not less than one million dollars ($1,000,000) of coverage per incident for personal injury or property damage resulting from a negligent act of the applicant or an agent or employee of the applicant operating in the course and scope of employment or under color of law. The form, execution, and terms of a liability insurance policy must meet the requirements of the Attorney General.

(b) An insurance carrier that issues a liability insurance policy required by this section may cancel the policy upon giving 30 days' written notice to both the company police agency and the Attorney General. The written notice must be given by certified mail, return receipt requested. Cancellation of a liability insurance policy does not affect any liability on the policy that accrued prior to the effective cancellation date.

(c) A company police agency that is a nonpublic entity must maintain the liability insurance policy or certificate of self-insurance required by this section in effect at all times. The Attorney General shall suspend the certification of a company police agency that fails to maintain a liability insurance policy or certificate of self-insurance when required to do so by this section. A certification suspended for this reason may not be reinstated until the person whose certification was suspended files with the Attorney General an application for reinstatement and either the required liability insurance policy or certificate of self-insurance.

"§ 74E-4. *Powers of Attorney General.*

The Attorney General has the following powers in addition to those conferred elsewhere in this Chapter:

(1) To establish minimum education, experience, and training standards and establish and require written or oral examinations for an applicant for certification as a company police agency, a certified company police agency, an applicant for commission as a company police officer, or a commissioned company police officer.

(2) To require a company police agency or a company police officer to submit reports or other information.

(3) To inspect records maintained by a company police agency.

(4) To conduct investigations regarding alleged violations of this Chapter or a rule adopted under this Chapter and to make evaluations as may be necessary to determine if a company police agency or a company police officer is complying with this Chapter or a rule adopted under this Chapter.

(5) To deny, suspend, or revoke a certification as a company police agency or a commission as a company police officer for failure to meet the requirements of or comply with this Chapter or a rule adopted under this Chapter, in accordance with Article 3 of Chapter 150B of the General Statutes.

(6) To appear in the name of the Company Police Program and apply to the courts having jurisdiction for injunctions to prevent a violation of this Chapter or a rule adopted under this Chapter.

(7) To delegate the authority to administer this Chapter.

(8) To require that the Criminal Justice Standards Division provide administrative support staff for the Company Police Program.

(9) To adopt rules needed to implement this Chapter, in accordance with Chapter 150B of the General Statutes.

"§ *74E-5. Records.*

(a) The Attorney General is the legal custodian of all books, papers, documents, or other records and property of the Company Police Program.

(b) Any papers, documents, or other records that become the property of the Company Police Program and are placed in a company police officer's personnel file maintained by the Attorney General are subject to the same restrictions concerning disclosure as set forth in Chapters 126, 153A, and 160A of the General Statutes for other personnel records.

(c) Notwithstanding the provisions of subsection (b), the Attorney General may disclose the contents of any records maintained under the authority of this Chapter to the Criminal Justice Education and Training Standards Commission, the Sheriff's Education and Training

Standards Commission, or any other criminal justice agency for certification or employment purposes.

"§ 74E-6. *Oaths, powers, and authority of company police officers.*

(a) Requirements. -- An individual who is commissioned as a company police officer must take the oath of office required of a law enforcement officer before the individual assumes the duties of a company police officer. The person in each company police agency who is responsible for the agency's company police officers must be commissioned as a company police officer.

(b) Categories. -- The following three distinct classifications of company police officers are established:

(1) Campus Police Officers -- Those company police officers who are employed by any college or university that is a constituent institution of The University of North Carolina or any private college or university that is licensed or exempted from licensure as prescribed by G.S. 116-15.

(2) Railroad Police Officers -- Those company police officers who are employed by a certified rail carrier and commissioned as company police officers under this Chapter.

(3) Special Police Officers -- All company police officers not designated as a campus police officer or railroad police officer.

(c) All Company Police. -- Company police officers, while in the performance of their duties of employment, have the same powers as municipal and county police officers to make arrests for both felonies and misdemeanors and to charge for infractions on any of the following:

(1) Real property owned by or in the possession and control of their employer.

(2) Real property owned by or in the possession and control of a person who has contracted with the employer to provide on-site company police security personnel services for the property.

(3) Any other real property while in continuous and immediate pursuit of a person for an offense committed upon property described in subdivisions (1) or (2) of this subsection.

(d) Campus Police. -- Campus police officers have the powers contained in subsection (c) of this section and also have the powers in that subsection upon that portion of any public road or highway passing through or immediately adjoining the property described in that subsection, wherever located. The board of trustees of any college or university that qualifies as a campus police agency pursuant to this Chapter may enter into a mutual aid agreement with the

governing board of a municipality or, with the consent of the county sheriff, a county to the same extent as a municipal police department pursuant to Chapter 160A.

(e) Railroad Police. -- Railroad police officers have the powers contained in subsection (c) and also have the powers and authority granted by federal law or by a regulation promulgated by the United States Secretary of Transportation. Notwithstanding any of the provisions of this Chapter, the limitations on the power to make arrests contained in subsection (c) above, shall not be applicable to railroad police officers commissioned by the Attorney General pursuant to the authority of this Chapter.

(f) Campus Option. -- Notwithstanding any of the provisions of this Chapter, the Board of Trustees of any constituent institution of The University of North Carolina may elect to have its officers certified under Chapter 17C or Chapter 116 of the General Statutes rather than requesting certification as a company police agency and company police commission pursuant to the provisions of this Chapter.

(g) Exclusive Authority. -- Notwithstanding any other provision of law, the authority granted to company police officers shall be limited to the provisions of this Chapter.

"§ *74E-7. Badges, uniforms, weapons, and vehicles.*

Company police agencies shall be responsible for ensuring that all employees, whether or not commissioned, comply with the provisions of this Chapter and the rules adopted under this Chapter, including those provisions pertaining to the wearing of badges and uniforms, the carrying of weapons, and the operation of vehicles.

"§ *74E-8. Minimum standards for company police officers.*

Applicants for commission as a company police officer and a commissioned company police officer must meet and maintain the same minimum preemployment and in-service standards as are required for State law enforcement officers by the North Carolina Criminal Justice Education and Training Standards Commission, and must meet and maintain any other preemployment and in-service requirements set by the Attorney General.

"§ *74E-9. Compensation of company police officers.*

The compensation of a company police officer shall be paid by the company police agency for which the officer is commissioned, as may be agreed on between them.

"§ *74E-10. Expiration, renewal, and termination of agency certification or officer commission.*

(a) Agency. -- Unless sooner suspended or revoked by the Attorney General, a company police agency's certification expires on June 30 following the date it is issued. A company police agency may renew the certification upon payment of the appropriate fee and compliance

with this Chapter and the rules adopted under this Chapter. An entity whose company police agency's certification was denied or revoked for a violation of this Chapter or a rule adopted under this Chapter is not eligible to apply again for that certification for three years.

(b) Officer. -- Unless sooner suspended or revoked by the Attorney General, a company police officer's commission expires on June 30 following the date it is issued. A company police officer may renew a commission upon payment of the appropriate fee and compliance with this Chapter and the rules adopted under this Chapter. The Attorney General shall immediately revoke the commission of a company police officer when any of the following occurs:

(1) Termination of employment with the company police agency for which the officer is commissioned.

(2) Termination, suspension, or revocation of the certification of the company police agency for which the officer is commissioned.

(3) Failure to meet in-service training requirements as required by this Chapter or the rules adopted under this Chapter.

(4) Violation of this Chapter or a rule adopted under this Chapter.

An individual whose company police officer's commission was denied or revoked for a violation of this Chapter or a rule adopted under this Chapter is not eligible to apply again for a commission for three years.

"§ *74E-11. Immunity.*

Neither the Attorney General nor any of the Attorney General's employees may be held criminally or civilly liable for any acts or omissions in carrying out the provisions of this Chapter or for the acts or omissions of agencies or officers certified or commissioned under this Chapter.

"§ *74E-12. Fees.*

The Attorney General may charge fees for the items listed in the following table, not to exceed the amounts listed in the table:

Item	Maximum Fee
Application for certification as a company police agency	$250
Annual renewal of certification as a company police agency	$200
Application for reinstatement of certification as a company police agency	$1,000
Application for commission as a company police officer	$100
Annual renewal of commission as	$50

a company police officer
Application for reinstatement of commission as a company police officer $150

The fees imposed under this section are not refundable. Fees collected under this section shall be applied to the cost of administering this Chapter.

"*§ 74E-13. Penalties and enforcement.*

(a) No private person, firm, association, or corporation, and no public institution, agency, or other entity shall engage in, perform any services as, or in any way hold itself out as a company police agency or engage in the recruitment or hiring of company police officers without having first complied with the provisions of this Chapter. Any person, firm, association, or corporation, or their agents and employees violating any of the provisions of this Chapter shall be guilty of a misdemeanor and punishable by a fine, imprisonment for a term not to exceed two years, or both, in the discretion of the court.

(b) The Company Police Program may apply in its own name to the superior court for an injunction to prevent any violation or threatened violation of this Chapter or a rule adopted under this Chapter, and the superior courts have jurisdiction to grant the requested relief, irrespective of whether or not criminal prosecution has been instituted or administrative sanctions imposed because of the violation. The venue for an action brought under this subsection shall be in any county selected by the Attorney General.

(c) This section does not relieve a company police agency from any civil liability for the acts of its company police officers in exercising or attempting to exercise the powers conferred by this Chapter."

Sec. 2. G.S. 14-401.6(a)(4) reads as rewritten:

"(4) By or for security guards ~~sanctioned~~ registered under ~~Chapters 74A and~~ Chapter 74C of the General ~~Statutes,~~ Statutes or company police officers commissioned under Chapter 74E of the General Statutes, provided ~~those security guards~~ they are on duty and have received training according to standards prescribed by the State Bureau of Investigation;".

Sec. 3. G.S. 15A-402(f) reads as rewritten:

"(f) Campus Police Officers, Immediate and Continuous Flight. -- A campus police officer: (i) appointed by a campus law-enforcement agency established pursuant to G.S. 116-40.5(a); or (ii) ~~appointed~~ commissioned by the Attorney General pursuant to ~~Chapter 74A~~ Chapter 74E and employed by a college or university which is licensed, or exempted from licensure, by G.S. 116-15 may arrest a person outside his territorial jurisdiction when the person arrested has

committed a criminal offense within the territorial jurisdiction, for which the officer could have arrested the person within that territory, and the arrest is made during such person's immediate and continuous flight from that territory."

Sec. 4. G.S. 20-37.6(f)(3) reads as rewritten:

"(3) A law-enforcement officer, including a ~~security~~ company police officer ~~who has authority to enforce laws on the property of his employer as specified in Chapter 74A,~~ commissioned by the Attorney General under Chapter 74E, may cause a vehicle parked in violation of this section to be ~~towed; and such~~ towed. The officer ~~shall be~~ is a legal possessor as provided in G.S. 20-161(d)(2). ~~This law-enforcement officer, or security officer,~~ The officer shall not be held to answer in any civil or criminal action to any owner, lienholder or other person legally entitled to the possession of any motor vehicle removed from ~~such~~ a space pursuant to this section, except where ~~such~~ the motor vehicle is willfully, maliciously, or negligently damaged in the removal from ~~aforesaid~~ the space to a place of storage."

Sec. 5. G.S. 74C-12(c) reads as rewritten:

"(c) The following persons may not be issued a license, registration, or permit under this Chapter:

(1) A sworn court official.

(2) A holder of a company police commission under Chapter ~~74A~~ 74E of the General Statutes."

Sec. 6. G.S. 160A-288(d) reads as rewritten:

"(d) For purposes of this section, the following shall be considered the equivalent of a municipal police department:

(1) Campus law-enforcement agencies established pursuant to G.S. 116-40.5(a); and

(2) Colleges or universities which are licensed, or exempted from licensure, by G.S. 116-15 and which employ company police officers ~~certified~~ commissioned by the Attorney General pursuant to ~~Chapter 74A.~~ Chapter 74E."

Sec. 7. G.S. 160A-288.2(d) reads as rewritten:

"(d) For the purposes of this section, the following shall be considered the equivalent of a municipal police department:

(1) Campus law-enforcement agencies established pursuant to G.S. 116-40.5(a); and

(2) Colleges or universities which are licensed, or exempted from licensure, by G.S. 116-15 and which employ company police officers ~~certified~~ commissioned by the Attorney General pursuant to ~~Chapter 74A.~~ Chapter 74E."

Sec. 8. Chapter 74A of the General Statutes is repealed.

Sec. 9. This act is effective upon ratification. A certification or commission issued under former Chapter 74A is considered to have been issued under Chapter 74E, as enacted by this act, and expires in accordance with Chapter 74E.

In the General Assembly read three times and ratified this the 25th day of July, 1992.

S.B. 1205 **CHAPTER 1044**

AN ACT TO MODIFY THE CAPITAL IMPROVEMENTS APPROPRIATIONS FOR NORTH CAROLINA FOR THE 1992-93 FISCAL YEAR, TO MAKE OTHER CHANGES IN THE BUDGET OPERATION OF THE STATE, AND TO MAKE TECHNICAL CORRECTIONS NECESSARY TO EFFECT THE BUDGET OPERATION OF THE STATE.

The General Assembly of North Carolina enacts:

PART 1. INTRODUCTION

Section 1. The appropriations made by the 1992 General Assembly for capital improvements are for constructing, repairing, or renovating State buildings, utilities, and other capital facilities, for acquiring sites for them where necessary, and for acquiring buildings and land for State government purposes.

PART 2. TITLE

Sec. 2. This act shall be known as "The Capital Improvements Appropriations Act of 1992".

PART 3. PROCEDURES FOR DISBURSEMENTS

Sec. 3. The appropriations made by the 1992 General Assembly for capital improvements shall be disbursed for the purposes provided by this act. Expenditure of funds shall not be made by any State department, institution, or agency, until an allotment has been approved by the Governor as Director of the Budget. The allotment shall be approved only after full compliance with the Executive Budget Act, Article 1 of Chapter 143 of the General Statutes. Prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects including the source of funds, interest rate, and liquidation period. Provided, however, that if the Director of the Budget approves the method of financing a project, he shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

Where direct capital improvement appropriations include the purpose of furnishing fixed and movable equipment for any project, those funds for equipment shall not be subject to transfer into construction accounts except as authorized by the Director of the Budget. The expenditure of funds for fixed and movable equipment and furnishings shall be reviewed and approved by the Director of the Budget prior to commitment of funds.

Capital improvement projects authorized by the 1992 General Assembly shall be completed, including fixed and movable equipment and furnishings, within the limits of the amounts of the direct or self-liquidating appropriations provided, except as otherwise provided in this act.

PART 4. CAPITAL IMPROVEMENTS/GENERAL FUND

Sec. 4. Appropriations are made from the General Fund for the 1992-93 fiscal year for use by the State departments, institutions, and agencies to provide for capital improvement projects according to the following schedule:

Department of Administration	
(Total)	$8,605,600
1. New Revenue Building Equipment and Furnishings	4,978,900
2. Museum of History-Exhibits, Furnishings and Equipment	2,963,700
3. Museum of History-N.C. Sports Hall of Fame	475,000
4. Shelters and Seats - Government Center Complex	50,000
5. Acquisition of Charlotte Johnson Property-State Government Complex	138,000
Department of Agriculture	
(Total)	12,405,600
1. Museum of Natural Science - Planning	750,000
2. Western N.C. Agricultural Center	
a. Land Purchase	329,200
b. Temporary Stall Building	150,000
3. Western Farmers Market	
a. Winterize 2 Retail Buildings	126,400
4. Agronomic Lab Construction	7,500,000
5. Tidewater Research Station - Completion	1,000,000
6. Southeastern Farmers' Market - Shipping Point Facility	1,000,000

7. Piedmont Triad Farmers' Market - Development		1,000,000
8. Mountain Research Station Land Purchase		250,000
9. Eastern North Carolina Agriculture Center - Planning Funds		300,000
Department of Crime Control and Public Safety (Total)		615,000
1. Fayetteville Armory		
Requirements	2,295,000	
Receipts-Federal & Local	1,980,000	
State Appropriation		315,000
2. National Guard-Underground Storage Tanks-EPA Requirements		300,000
Department of Cultural Resources (Total)		795,000
1. Art Museum-Amphitheater		
Requirements	1,476,800	
Receipts-Donations	1,476,800	
State Appropriation		-
2. State Museum of the Albemarle - Restore Funding to Continue Development		150,000
3. Thomas Wolfe Memorial - Visitor's Center		645,000
Department of Environment, Health, and Natural Resources (Total)		9,269,400
1. N.C. Zoo - Final Phase of North America		
Requirements	6,887,800	
Receipts - Private	1,061,800	
State Appropriation		5,826,000
2. Water Resources Development Projects-Matching Funds		2,000,000
3. County Forestry Headquarters-Equipment/ Office Buildings-Warren County		228,300
-Cumberland County		215,100
4. State Parks-Land Purchases		500,000
-Repairs and Renovations		500,000
Department of Human Resources (Total)		13,251,800
1. Murdoch Center-Meadowview Cottage Renovation		1,546,500

2. Dix Campus-Male Wing Renovation	3,004,600
3. Umstead Hospital-New Psychiatric Unit	7,499,700
4. Western Carolina Center	
a. Reroof Walkways	699,800
b. Boiler Replacement	201,200
5. Eastern Regional Vocational Rehabilitation Facility - Repairs and Renovations	300,000
Department of Justice	
(Total)	1,537,745
1. State Bureau of Investigation-Critical Lab Repairs & Renovations	845,300
2. Justice Academy-Repairs & Renovations	692,445
University Board of Governors	
(Total)	40,202,300
1. North Carolina State University	
a. Centennial Center-Restore Funds for Site Preparation	2,000,000
b. Hazardous Waste Facility	2,722,300
c. Engineering Graduate Research Center - Phase I	2,200,000
d. Castle Hayne Horticultural Research Station-Restore Funds for Greenhouse and Support Facility	350,000
e. 4-H Camps-Repairs and Renovations	200,000
2. University of North Carolina at Chapel Hill	
a. School of Social Work	9,800,000
b. School of Business Administration	2,000,000
3. Fayetteville State University - Indoor Health and Physical Education Facility	8,880,000
4. East Carolina University - Complete Advance Planning for Joyner Library Addition	300,000
5. System-wide - Repairs and Renovations	11,750,000
Community Colleges	
1. Anson/Stanly - Restore funds for Union County Satellite	930,000
Office of State Budget & Management	
(Total)	7,593,125
1. Reserve for Repairs & Renovations-Statewide	5,343,125
2. Critical School Facility Needs Fund - To	

correct a discrepancy in the manner in which grants were made from this fund	2,000,000
3. Reserve to Match Local Matching Funds for Prison Chapels	250,000
TOTAL CAPITAL IMPROVEMENTS/ GENERAL FUND	$95,205,570

PART 4A. NONRECURRING APPROPRIATIONS/GENERAL FUND

Sec. 4.1. Appropriations are made from the General Fund for the 1992-93 fiscal year for use by the State departments, institutions, and agencies to provide for one-time expenditures according to the following schedule:

1. UNC Board of Governors:	
a. Funds to link Appalachian State University and UNC-Wilmington to CONCERT Communications Network operated by MCNC.	$ 1,645,000
b. North Carolina State University-Patent Research Funds.	97,000
c. North Carolina State University-Study of cleanup requirements for former disposal site for hazardous waste near Carter-Finley stadium and reimbursement to EPA - Consent agreement	600,000
d. Area Health Education Centers-Funds to Contract for additional training of certified, registered nurse anesthetists	150,000
2. Community Colleges:	
a. Funds to purchase equipment and books.	5,000,000
b. Nursing Diploma Program Funds.	281,650
3. Cultural Resources:	
Grants for local arts/historic sites.	295,000
4. Department of Public Instruction:	
a. Funds to purchase equipment for end-of-year/end-of-course testing.	1,700,000
b. Equipment and non-recurring needs for Governor's School	50,000
5. Environment, Health, and Natural Resources:	
a. Governor's Waste Management Board: To provide a $100,000 technical assistance grant to Richmond, Chatham,	

and Wake Counties for their site designation review committee.	300,000
b. On-Site Wastewater-Support for studying on-site wastewater systems and demonstration projects.	50,000
c. Beaver Control Pilot Project for controlling beaver damage	100,000
6. Department of Human Resources:	
a. Head Start Program - Provide grants for new capital construction and for capital improvements to existing facilities	1,760,000
b. Vocational Rehabilitation Facilities - Funds for capital needs at community-based facilities that operate vocational rehabilitation services or Adult Developmental Activity Programs (ADAP). $154.00 per slot for 6,495 slots. Each program shall submit a budget for these funds for approval to the Department of Human Resources.	1,000,000
c. Mental Health-First Step Farm for Women	202,880
d. Rural Health Recruitment Funds-Stipends for general medicine residents who serve underserved areas of the State	200,000
e. Mental Health Facility Funds-Grants to Area Mental Health programs up to a maximum of $200,000 per grant. Requires dollar for dollar county matching funds and departmental approval of applications	2,000,000
7. Department of Economic and Community Development: Industrial Building Renovation Fund - Continue economic assistance to local units of government.	500,000
8. Department of Agriculture:	
a. Provide for the development of a Grassroots Science Program by the Museum of Natural Sciences to serve local museums and nature centers (one-time grant-in-aid of $50,000 to each of the State's nine science museums).	450,000
9. Board of Elections:	

One-time appropriation for support for mail registration.	77,500
10. Department of Administration - State Construction Division - Conduct a feasibility study to determine cost of constructing and operating a State Veterans Home	15,000
11. General Assembly - Reserve for State Government Performance Audit Committee	500,000
12. Office of State Budget and Management:	
a. Reserve for expenses involved in moving the Departments of Education, Revenue, and Secretary of State and the Office of State Construction and Office of State Controller	750,000
b. Center for Community Self-Help Funds for Statewide Lending program for small businesses and economic development in rural, depressed, and disadvantaged communities	2,000,000
c. N.C. Equity - Grant-in-aid for support of health and economic development activities	65,000
d. Housing Trust Funds - Support to provide housing for persons of very low, low, and moderate income	2,000,000
e. Laurinburg-Maxton Airport Commission - Grant-in-Aid for Impact and Engineering Studies for Industrial Park Expansion	250,000
f. Reserve for the implementation of federal OSHA standards regarding bloodborne pathogens	1,000,000
g. Motor Voter Registration Reserve to be transferred to Division of Motor Vehicles	55,400
h. Piedmont Triad Regional Water Authority - Grant-in-aid to purchase land for the Randleman Lake/Dam Project.	500,000
TOTAL NONRECURRING/GENERAL FUND	$ 23,594,430
GRAND TOTAL GENERAL FUND	$118,800,000

PART 5. OFFICE OF STATE BUDGET AND MANAGEMENT

Requested by: Senators Basnight, Plyler, Representatives Ethridge, H. Hunter

LOCAL WATER/SEWER FUNDS

Sec. 5. (a) Notwithstanding the provisions of Sections 3 and 28 of Chapter 689 of the 1991 Session Laws, the Office of State Budget and Management shall transfer four million four hundred thousand dollars ($4,400,000), from the funds appropriated to the Reserve for Reimbursements to Local Governments and Shared Tax Revenues for the 1992-93 fiscal year, to the Clean Water Revolving Loan and Grant Fund created in G.S. 159G-5.

(b) Notwithstanding the provisions of G.S. 105-116, the Secretary of Revenue shall reduce the amount to be transferred to municipalities on or before December 15, 1992, pursuant to G.S. 105-116(d), by an amount equal to three million three hundred thousand dollars ($3,300,000). The Secretary of Revenue shall allocate this reduction on a pro rata basis among the municipalities entitled to receive a quarterly installment pursuant to G.S. 105-116(d) on or before December 15, 1992.

(c) Notwithstanding the provisions of G.S. 105-113.82, the Secretary of Revenue shall reduce the amount to be distributed to counties and cities for the 1992-93 fiscal year pursuant to G.S. 105-113.82 by an amount equal to one million one hundred thousand dollars ($1,100,000). The Secretary of Revenue shall allocate this reduction on a pro rata basis among the counties and cities entitled to receive a distribution pursuant to G.S. 105-113.82 for the 1992-93 fiscal year.

(d) The General Assembly finds that the purpose of the allocation provided in this section is to meet the funding needs of local governments for water supply and wastewater treatment facilities, as requested by local governmental units.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

REPAIRS AND RENOVATIONS/OLD EDUCATION AND REVENUE BUILDINGS

Sec. 6. The Joint Legislative Commission on Governmental Operations may study and make recommendations to the Office of State Budget and Management and to the Office of State Construction of the Department of Administration on repairs and renovations to the Old Education and Old Revenue Buildings. In conducting its study, the Commission shall make recommendations pertaining to the following:

(1) The amount to be expended from the Reserve for Repairs and Renovations for expediting the relocation of State agencies currently occupying leased space into the Old Education and Old Revenue Buildings;
(2) Which of the State agencies currently occupying leased space should be moved into the Old Education and Old Revenue Buildings;
(3) The extent to which repairs and renovations are needed immediately and those that may be needed in the future, and whether such repairs and renovations may be phased in over a period of time; and
(4) Any other recommendations the Commission deems appropriate for ensuring that repairs and renovations to the Old Education and Old Revenue Buildings are carried out expeditiously and efficiently.

Requested by: Senator Martin of Guilford, Representative Pope
N.C. EQUITY/FUND REQUIREMENTS

Sec. 6.1. (a) Funds appropriated in this act to the Office of State Budget and Management for a grant-in-aid to North Carolina Equity shall not be used by N.C. Equity for engaging in advocacy or lobbying activities to support or oppose legislation proposed, pending, or otherwise under consideration by the General Assembly or any of its study committees or commissions. This section shall not prohibit representatives of N.C. Equity from testifying before or providing information requested by the General Assembly or any of its study committees or commissions.

(b) N.C. Equity shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of funds allocated to it under this act.

Requested by: Senators Basnight, Plyler, Representatives Diamont, Nesbitt
BUDGET REFORM STATEMENTS/APPROPRIATIONS ADJUSTMENTS

Sec. 6.2. The General Fund appropriations availability upon which the modifications contained in this act to the General Fund budget for the 1992-93 fiscal year are based is one hundred eighteen million eight hundred thousand dollars ($118,800,000). This amount is comprised of the following components:

(1) 1991-92 Revenue Collections:

a. Budgeted	$ 7,647,025,000
b. Actual (latest estimate)	7,638,025,000
c. Difference	(9,000,000)

(2) 1991-92 Unexpended Appropriations	
a. Reversions	169,000,000
Estimated June 30, 1992 Credit Balance	160,000,000
(3) Earmarked for Savings Reserve	(40,000,000)
(4) Credit Balance used in Chapter 900, 1991 Session Laws	(1,200,000).

Requested by: Senator Basnight, Representatives Nesbitt, Diamont
RESERVE FOR IMPLEMENTATION OF FEDERAL OSHA REGULATIONS REGARDING BLOODBORNE PATHOGENS/USE OF FUNDS

Sec. 6.3. Funds appropriated in this act to the Office of State Budget and Management for the implementation of the federal OSHA regulations regarding bloodborne pathogens shall be used only to support the cost of testing, inoculations, personal protective equipment, and required clean-up equipment and supplies for employees who are subject to these regulations and only if adequate funds are not available for these purposes. They shall not be used as planning money or for salaries for any new positions or for any other purpose than specifically authorized by this section.

The Office of State Budget and Management shall report to the 1993 General Assembly by March 1, 1993, on the expenditure of these funds.

PART 6. GENERAL ASSEMBLY

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont
EXTENSION OF THE TERRITORIAL JURISDICTION OF THE LEGISLATIVE SERVICES COMMISSION

Sec. 7. (a) G.S. 120-32.1 reads as rewritten:

"*§ 120-32.1. Use and maintenance of buildings and grounds.*

(a) The Legislative Services Commission ~~shall determine policy governing the use of the State Legislative Building and the State office building located at the northeast corner of Lane and Salisbury streets. The Commission shall allocate space within those buildings and the grounds encompassed by Jones, Wilmington, Lane and Salisbury streets; be responsible for the maintenance, security, control and care of those buildings; and promulgate rules and regulations governing the use of those buildings and their facilities. The Commission may delegate the actual work of maintenance of those buildings to the Department of Administration, which shall provide such maintenance~~

~~services as may be delegated, subject to the direction of the Commission.~~ shall:

(1) Establish policy for the use of the State legislative buildings and grounds;

(2) Maintain and care for the State legislative buildings and grounds, but the Commission may delegate the actual work of the maintenance of those buildings and grounds to the Department of Administration, which shall perform the work as delegated;

(3) Provide security for the State legislative buildings and grounds;

(4) Allocate space within the State legislative buildings and grounds; and

(5) Have the exclusive authority to assign parking space in the State legislative buildings and grounds.

(b) ~~The rules and regulations promulgated~~ The Legislative Administrative Officer shall have posted the rules adopted by the Legislative Services Commission under the authority of this section ~~shall be posted~~ in a conspicuous place in the State Legislative ~~Building, and in the State office building located at the northeast corner of Lane and Salisbury streets, and~~ Building and the Legislative Office Building. The Legislative Administrative Officer shall have filed a copy of the rules ~~and regulations and all amendments thereto~~, certified by the chairman of the Legislative Services Commission, ~~shall be filed~~ in the office of the Secretary of State and in the office of the Clerk of the Superior Court of Wake County. When so posted and filed, these rules ~~and regulations~~ shall constitute notice to all persons of the existence and text of the ~~rules and regulations.~~ rules. Any person, whether on his own behalf or for another, or acting as an agent or representative of any person, firm, corporation, partnership or association, who knowingly violates any of the rules ~~or regulations promulgated,~~ adopted, posted and filed under the authority of this section is guilty of a ~~misdemeanor,~~ misdemeanor and upon conviction ~~or a plea of guilty~~ shall be punished by a fine or imprisonment in the discretion of the court, or by both such fine and imprisonment. Any person, firm, corporation, partnership or association who combines, confederates, conspires, aids, abets, solicits, urges, instigates, counsels, advises, encourages or procures another or others to knowingly violate any of the rules ~~and regulations promulgated,~~ adopted, posted and filed under the authority of this section is guilty of a misdemeanor and upon conviction ~~or a plea of guilty~~ shall be punished by a fine or imprisonment in the discretion of the court, or by both such fine and imprisonment.

(c) ~~When the General Assembly is in regular or extra session, the Legislative Services Commission shall have exclusive authority to assign parking space in the State Legislative Building and upon its grounds, as "grounds" is defined in G.S. 120-32.3 [120-32.2], and the State Legislative Building security force shall have exclusive authority and responsibility for enforcing the parking rules and regulations of the Legislative Services Commission.~~ The Legislative Services Commission may cause to be removed at the owner's expense any vehicle parked in the State ~~Legislative Building or on its grounds~~ legislative buildings and grounds in violation of the rules ~~and regulations~~ of the Legislative Services ~~Commission.~~ Commission and ~~during regular or extra sessions of the General Assembly~~ may cause to be removed any vehicle parked in any State-owned parking space leased to an employee of the General Assembly where the vehicle is parked without the consent of the employee to whom the space is leased.

(d) For the purposes of this section, the term 'State legislative buildings and grounds' means:

(1) At all times:

a. The State Legislative Building and the area between outer walls of the State Legislative Building and the near curbline of those sections of Jones, Wilmington, Lane, and Salisbury Streets which border land on which the State Legislative Building is situated;

b. The Legislative Office Building and the areas between its outer walls and the near curbline of those sections of Lane and Salisbury Streets that border the land on which it is situated;

c. Any State-owned parking lot which is leased to the General Assembly; and

d. The bridge between the State Legislative Building and the State Governmental Mall.

(2) In addition, the surface area to the far curbline of those sections of Jones, Wilmington, Lane, and Salisbury Streets which border the land on which the State Legislative Building is situated:

a. When the General Assembly is in regular or extra session; and

b. On other days on which one or more standing committees of either or both houses of the General Assembly are meeting and the Legislative Administrative Officer determines that additional parking is needed for the functioning of the General Assembly and files notice of the committee's or committees' meetings and his

finding that additional parking is needed in the office of the Secretary of State and that of Clerk of the Superior Court of Wake County."

(b) G.S. 120-32.2 reads as rewritten:

"*§ 120-32.2. State Legislative Building special police.*

All members of the State Legislative Building security force employed by the Legislative Services Office are special policemen, and within the State ~~Legislative Building and upon its grounds~~ legislative buildings and grounds, as defined in G.S. 120-32.1(d), they shall have all the powers of policemen of ~~incorporated towns.~~ cities.

~~As used in this section, "grounds" means the area between the outer walls of the State Legislative Building and the near curbline of those sections of Jones, Wilmington, Lane and Salisbury streets which border the land on which the State Legislative Building is situated. When the General Assembly is in regular or extra session, the term "grounds" also includes the surface to the far curbline of those sections of Jones, Wilmington, Lane and Salisbury streets which border the land on which the State Legislative Building is situated and any state-owned parking lot which is leased to the General Assembly while the General Assembly is in session.~~

~~The jurisdiction of the State Legislative Building security force shall also include the State office building located at the northeast corner of Lane and Salisbury streets and the area between the outer walls of that building and the near curbline of those sections of Lane and Salisbury streets that border the land on which the building is located.~~

The Legislative Building security force has the exclusive authority and responsibility for enforcing the parking rules of the Legislative Services Commission."

(c) This section becomes effective October 1, 1992, but does not affect the validity of rules adopted by the Legislative Services Commission under the prior law.

Requested by: Senator Martin of Pitt, Representatives Nesbitt, Diamont

RAILROAD ADVISORY COMMISSION MEMBERSHIP CHANGE

Sec. 8. Section 3.1 of Chapter 754 of the 1991 Session Laws reads as rewritten:

"Sec. 3.1. There is created the Railroad Advisory Commission. The Commission shall consist of ~~12~~ 10 members, appointed as follows:

(1) Two members appointed by the Governor, one of whom shall be knowledgeable about the railroad business and one of whom shall be an advocate of passenger rail service;

(2) The Speaker of the House of Representatives or another member of the House of Representatives serving as the Speaker's designee, and two other members of the House of Representatives appointed by the Speaker of the House of Representatives;
(3) The President Pro Tempore of the Senate or another member of the Senate serving as the President Pro Tempore's designee, and two other members of the Senate appointed by the President Pro Tempore of the Senate;
(4) The Secretary of Transportation, or a member of his staff appointed by the Secretary of Transportation; and
(5) The State Treasurer, or a member of his staff appointed by the ~~Treasurer;~~ Treasurer.
~~(6) Two officers or directors of the North Carolina Railroad Company appointed by its Board of Directors.~~

The Attorney General or the Attorney General's designee shall also participate and attend meetings of the Commission in accordance with Section 3.12 of this Part."

Requested by: Senator Martin of Guilford, Representatives Nesbitt, Diamont

JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS/ FARMERS MARKET STUDY /WATER RESOURCES PROJECTS STUDY

Sec. 9. The Joint Legislative Commission on Governmental Operations may study the feasibility of funding farmers markets and water resources development projects for which appropriations have been previously requested. The study may include but is not limited to the following:

(1) Piedmont Triad Farmers Market,
(2) Southeastern Farmers Market,
(3) Northeastern Farmers Market,
(4) Randleman Dam, and
(5) Oregon Inlet Jetties.

The Commission may report its findings and recommendations to the 1993 General Assembly.

Requested by: Senator Martin of Guilford, Representatives Nesbitt, Diamont

TECHNICAL CORRECTIONS/CHAPTER 900 - CURRENT OPERATIONS APPROPRIATIONS ACT OF 1992

Sec. 9.1. (a) Section 41 of Chapter 900, 1991 Session Laws, is amended by deleting the phrase "G.S. 7A-171.1(4)" and substituting the phrase "G.S. 7A-171.1(a)(4)".

(b) This section is effective July 1, 1992.

Sec. 9.2. (a) Section 136(a) of Chapter 900, 1991 Session Laws, reads as rewritten:

"(a) Of the funds appropriated in this act to the Department of Human Resources, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, the sum of nine million dollars ($9,000,000) for the 1992-93 fiscal year shall be expended in accordance with the plans developed by the Mental Health Study Commission and adopted by the General Assembly.

These funds shall be allocated as follows:

(1) Services for the mentally ill $3,000,000;

(2) Services for the developmentally disabled ~~$3,00,000;~~ $3,000,000; and

(3) Services for substance abusers $3,000,000.

(b) This section is effective July 1, 1992.

Sec. 9.3. Section 180 of Chapter 900, 1991 Session Laws, reads as rewritten:

"(a) Except where expressly repealed or amended by this act, the provisions of Chapters 689, 742, 760, 761, and 812 of the 1991 Session Laws remain in effect.

(b) Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1992-93 fiscal year in Chapters 689, 742, 760, 761, and 812 of the 1991 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations and budget reductions of this act for those same particular purposes."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

PERFORMANCE AUDIT AUDIO AND VIDEO NETWORK STUDY

Sec. 9.4. (a) As part of its audit and evaluation of State Information processing and telecommunications system policy, organization, and management, the Government Performance Audit Committee shall study:

(1) The operations of the audio, video, and data communications networks of the Department of Administration Agency for Public Telecommunications;

(2) The operations of the audio, video, and data communications networks of the Microelectronics Center of North Carolina;

(3) The operations of the audio and video networks of the North Carolina Center for Public Television;
(4) The operations of the voice and data communications networks in the Office of State Controller State Telecommunications Office;
(5) The operations of the communications networks managed by the Educational Computing Service, University of North Carolina-General Administration;
(6) The operations of any data and video communications networks managed by the Department of Public Instruction; and
(7) The operations of any data and video communications networks within the Community College System.

(b) This study shall address:
(1) The governance structures of the networks;
(2) The services provided by the networks;
(3) The uses of the networks;
(4) The alternatives for coordinating the governance, operations, oversight, and funding of the networks to keep them operating in the leading edge of technology insofar as practical and in such a manner to reduce areas of service duplication;
(5) The need for funding KU-Band retrofitting in the facilities of the Agency for Public Telecommunications; and
(6) The need for purchasing and installing satellite receiving equipment in public libraries throughout the State for use with the Agency for Public Telecommunications and other information technology providers.

(c) The Government Performance Audit Committee shall include a final report on the topics mentioned in this section, other findings, and recommendations for legislation in its final report to the 1993 General Assembly. It shall also submit 12 copies of its report to the North Carolina Information Resources Management Commission.

PART 6.1. DEPARTMENT OF REVENUE

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

CORRECT INVENTORY TAX REIMBURSEMENT AMOUNT

Sec. 9.5. (a) G.S. 105-275.1(b) reads as rewritten:

"(b) Subsequent Distributions. -- As soon as practicable after January 1, 1990, the Secretary shall pay to each county and city the amount it received under subsection (a) in 1989 plus an amount equal to the county or city average rate multiplied by the value of the items

described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the county or city, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. As soon as practicable after January 1, 1990, the Secretary shall also pay to each county and city an amount equal to the average rate for each special district for which the county or city collected taxes in 1987, but whose tax rates were not included in the county or city's rates, multiplied by the value of the items described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. As soon as practicable after January 1, 1991, except as provided in subsection (f), the Secretary shall pay to each county and city the amount it received under this section the preceding year plus an amount equal to the county or city average rate multiplied by the value of the items described in subdivision (v) of subsection (a) contained in the list submitted by the county or city, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce. As soon as practical after January 1, 1992, except as provided in subsection (f), the Secretary shall distribute to each county and city the amount it received under this section the preceding year. On or before April 30, 1993, except as provided in subsection (f), the Secretary shall distribute to each county and city ninety-nine and eighty-one one-hundredths percent (99.81%) of the amount it received under this section the preceding year. Thereafter, except as provided in subsection (f), ~~as soon as practicable after January 1~~ on or before April 30 of each year, the Secretary shall distribute to each county and city the amount it received under this section the preceding year.

Of the funds received by each county and city pursuant to this subsection in 1990, the portion that was received because the county or city was collecting taxes for a special district (either because the district's tax rate was included in the city or county's rate or because

the Secretary paid the county or city the product of the district's average rate and the value of the inventories and other items in the district) shall be distributed among the districts in the county or city as soon as practicable after the city or county receives the funds. The county or city shall distribute to each special district in the county or city the amount it distributed to the district in 1989 plus an amount equal to the average rate for the district multiplied by the value of the items, other than inventory, described in subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or minus the percentage of this product that equals the percentage by which State personal income has increased or decreased during the most recent 12-month period for which State personal income data has been compiled by the Bureau of Economic Analysis of the United States Department of Commerce.

Each year thereafter, as soon as practicable after receiving funds under this subsection, every county and city shall distribute among the special districts for which the county or city collects tax an amount equal to the amount it distributed among such districts the previous year. The Local Government Commission may adopt rules for the resolution of disputes and correction of errors in the distribution among special districts provided in this subsection. In addition, the Local Government Commission may adopt rules for the reallocation of funds when a special district is dissolved, merged, or consolidated, or when a special district ceases to levy tax, either temporarily or permanently."

(b) G.S. 105-275.1(f) reads as rewritten:

"(f) Correction of Errors. -- If the Secretary discovers that the amount or value of any inventories or other items listed by a county or city pursuant to subsection (a) of this section was overstated or understated, the Secretary shall adjust the amount to be distributed under subsection (b) as follows. For the distribution to be made in the year following discovery of the overstatement or understatement, the Secretary shall distribute to the county or city the amount it would have received under subsection (b) in ~~1990~~ 1993 if it had not overstated or understated the amount or value of any inventories or other items, plus the total amount it failed to receive in 1989 and subsequent years due to understatement of the amount or value of the inventories or other items, or minus the total amount it received in 1989 and subsequent years due to overstatement of the amount or value of the inventories or other items. Thereafter, each year the Secretary shall distribute to the county or city the amount it would have received under subsection (b) in ~~1990~~ 1993 if it had not

overstated or understated the amount or value of any inventories or other items."

PART 7. DEPARTMENT OF ADMINISTRATION

Requested by: Senator Basnight. Representatives Nesbitt. Diamont
NORTH CAROLINA AQUARIUMS COMMISSION

Sec. 10. (a) Article 9 of Chapter 143B of the General Statutes is amended by adding a new Part to read:

"Part 8C. North Carolina Aquariums Commission.

"*§ 143B-390.15. North Carolina Aquariums Commission -- creation.*

There is hereby created the North Carolina Aquariums Commission.

"*§ 143B-390.16. North Carolina Aquariums Commission -- organization, powers, and duties.*

(a) The Commission shall consist of 12 members appointed as follows:

(1) Four members appointed by the Governor, including one member designated by the Governor to serve as chair of the Commission and one member appointed upon recommendation of the North Carolina Aquarium Society, Inc., who resides in one of the counties where the North Carolina Aquariums are located: Carteret, Dare, and New Hanover,

(2) Four members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121, including one member appointed upon the recommendation of the North Carolina Aquarium Society, Inc., who resides in another of the counties where the North Carolina Aquariums are located: Carteret, Dare, and New Hanover,

(3) Four members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121, including one member appointed upon the recommendation of the North Carolina Aquarium Society, Inc., who resides in another of the counties where the North Carolina Aquariums are located: Carteret, Dare, and New Hanover.

(b) Commission members shall serve for terms of four years, beginning July 1, 1992, and may be removed at any time by the appointing authority. If a vacancy on the Commission occurs, the appointing authority shall appoint a replacement to serve for the unexpired term.

(c) The Commission shall meet upon the call of the chair.

(d) The Secretary of Administration shall provide staff support for Commission activities and travel reimbursement for Commission members.

(e) The Commission may recommend a schedule of uniform fees for the North Carolina Aquariums to the Secretary of the Department of Administration who may adopt the schedule. The schedule may be revised from time to time by the same procedure.

(f) The North Carolina Special Aquariums Fund, hereafter 'Fund', is hereby created, and shall be a special and nonreverting fund. The Fund shall be used only for repair, maintenance, and educational exhibit construction at existing aquariums. The Fund may also be used to match private funds that are raised for these purposes.

(g) All entrance fee receipts shall be credited to the Fund. The Secretary of Administration may expend monies from the Fund only upon the authorization of the General Assembly."

(b) G.S. 120-123 is amended by adding a new subdivision to read:

"(59) The North Carolina Aquariums Commission, as established by G.S. 143B-390.15."

Requested by: Senator Lee, Representatives Nesbitt, Diamont

STUDY COMMUTING BY STATE EMPLOYEES

Sec. 10.1. The Department of Administration shall, in consultation with the Department of Transportation, study and recommend methods for encouraging State employees to use public transit, including carpools and vanpools, in commuting to work. The Department of Administration shall report its findings and recommendations to the 1993 General Assembly by March 15, 1993.

Requested by: Senator Martin of Guilford, Representatives Nesbitt, Diamont

STATE VETERANS HOME STUDY

Sec. 11. Of the funds appropriated in this act to the Department of Administration, the sum of fifteen thousand dollars ($15,000) for the State Construction Office shall be used to complete a feasibility study to determine the cost of constructing and operating a 240-bed domiciliary and skilled nursing care State Veterans Home on a site adjacent to the Fayetteville Veterans Administration Medical Center on land donated by the Veterans Administration. This study shall be made in consultation with the Division of Veterans Affairs, Department of Administration. The State Construction Office shall furnish to the 1993 General Assembly and to the Fiscal Research Division of the Legislative Services Office a completed feasibility study along with its recommendations by April 1, 1993.

PART 8. DEPARTMENT OF CULTURAL RESOURCES

Requested by: Senator Basnight
GRANTS FOR LOCAL ARTS/HISTORIC SITES

Sec. 12. Of the funds appropriated in this act to the Department of Cultural Resources for grants for local arts/historic sites, the sum of thirty thousand dollars ($30,000) shall be allocated to the Eastern Music Festival to support activities commemorating the thirtieth anniversary of the Festival, the sum of fifty thousand dollars ($50,000) shall be allocated to the North Carolina Shakespeare Festival for equipment and other purposes, and a sufficient sum shall be allocated for the addition of an auditorium for the Visitors Center at the Charles B. Aycock Historic Site.

Requested by: Senator Martin of Guilford, Representative Redwine
BRUNSWICKTOWN STATE HISTORIC SITE/USE RECEIPTS

Sec. 13. Notwithstanding Chapter 146 of the General Statutes, the net proceeds derived from the sale of timber or other land products owned at the Brunswicktown State Historic Site shall be deposited with the State Treasurer in a capital improvement account to the credit of the Department of Cultural Resources. The Department of Cultural Resources shall use these funds to replace the visitor center exhibits installed in 1967 at Brunswicktown, to provide additional site archaeology at Brunswicktown, and to make other improvements at the Brunswicktown State Historic Site. These funds shall remain available until June 30, 1995, and shall not revert until that time.

PART 8.1. SALARIES AND BENEFITS

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont
EMPLOYER FICA SAVINGS TO PAY ADMINISTRATIVE COSTS OF DEPENDENT CARE PROGRAM AND FLEXIBLE COMPENSATION PROGRAM

Sec. 14. (a) G.S. 143-34.1(c) reads as rewritten:

"(c) The Director of the Budget is authorized to provide eligible officers and employees of State departments, institutions, and agencies not covered by the provisions of G.S. 116-17.2 a program of dependent care assistance as available under Section 129 and related sections of the Internal Revenue Code of 1986, as amended. The Director of the Budget may authorize State departments, institutions, and agencies to enter into annual agreements with employees who elect to participate in the program to provide for a reduction in salary. With the approval of the Director of the Budget, savings in the

employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the Director decide to contract with a third party to administer the terms and conditions of a program of dependent care assistance, he may select a contractor only upon a thorough and completely competitive procurement process."

(b) G.S. 115C-441.1 reads as rewritten:

"*§ 115C-441.1. Dependent care assistance program.*

The State Board of Education is authorized to provide eligible employees of local school administrative units a program of dependent care assistance as available under Section 129 and related sections of the Internal Revenue Code of 1986, as amended. The State Board may authorize local school administrative units to enter into annual agreements with employees who elect to participate in the program to provide for a reduction in salary. With the approval of the Director of the Budget, savings in the employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the State Board decide to contract with a third party to administer the terms and conditions of a program of dependent care assistance, it may select a contractor only upon a thorough and completely competitive procurement process."

(c) G.S. 115D-25.1 reads as rewritten:

"*§ 115D-25.1. Dependent care assistance program.*

The State Board of Community Colleges is authorized to provide eligible employees of constituent institutions a program of dependent care assistance as available under Section 129 and related sections of the Internal Revenue Code of 1986, as amended. The State Board may authorize constituent institutions to enter into annual agreements with employees who elect to participate in the program to provide for a reduction in salary. With the approval of the Director of the Budget, savings in the employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the State Board decide to contract with a third party to administer the terms and conditions of a program of dependent care assistance, it may select a contractor only upon a thorough and completely competitive procurement process."

(d) G.S. 116-17.1 reads as rewritten:

"*§ 116-17.1. Dependent care assistance program.*

The Board of Governors of The University of North Carolina is authorized to provide eligible employees of constituent institutions a program of dependent care assistance as available under Section 129

and related sections of the Internal Revenue Code of 1986, as amended. The Board of Governors may authorize constituent institutions to enter into annual agreements with employees who elect to participate in the program to provide for a reduction in salary. With the approval of the Director of the Budget, savings in the employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the Board of Governors decide to contract with a third party to administer the terms and conditions of a program of dependent care assistance, it may select a contractor only upon a thorough and completely competitive procurement process."

(e) G.S. 143-34.1(d) reads as rewritten:

"(d) Notwithstanding any other provisions of law relating to the salaries of officers and employees of departments, institutions, and agencies of State government, the Director of the Budget is authorized to provide a plan of flexible compensation to eligible officers and employees of State departments, institutions, and agencies not covered by the provisions of G.S. 116-17.2 for benefits available under Section 125 and related sections of the Internal Revenue Code of 1986 as amended. This plan shall not include those benefits provided to employees and officers under Article 1A of Chapter 120 of the General Statutes and Articles 1, 3, 4, and 6 of Chapter 135 of the General Statutes nor any vacation leave, sick leave, or any other leave that may be carried forward from year to year by employees as a form of deferred compensation. In providing a plan of flexible compensation, the Director of the Budget may authorize State departments, institutions, and agencies to enter into agreements with their employees for reductions in the salaries of employees electing to participate in the plan of flexible compensation provided by this section. With the approval of the Director of the Budget, savings in the employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the Director of the Budget decide to contract with a third party to administer the terms and conditions of a plan of flexible compensation as provided by this section, it may select such a contractor only upon a thorough and completely advertised competitive procurement process."

(f) G.S. 115C-341.1 reads as rewritten:

"§ *115C-341.1. Flexible Compensation Plan.*

Notwithstanding any other provisions of law relating to the salaries of employees of local boards of education, the State Board of Education is authorized to provide a plan of flexible compensation to

eligible employees of local school administrative units for benefits available under Section 125 and related sections of the Internal Revenue Code of 1986 as amended. This plan shall not include those benefits provided to employees under Articles 1, 3, and 6 of Chapter 135 of the General Statutes nor any vacation leave, sick leave, or any other leave that may be carried forward from year to year by employees as a form of deferred compensation. In providing a plan of flexible compensation, the State Board may authorize local school administrative units to enter into agreements with their employees for reductions in the salaries of employees electing to participate in the plan of flexible compensation provided by this section. With the approval of the Director of the Budget, savings in the employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the State Board decide to contract with a third party to administer the terms and conditions of a plan of flexible compensation as provided by this section, it may select such a contractor only upon a thorough and completely advertised competitive procurement process."

(g) G.S. 115D-25.2 reads as rewritten:

"§ *115D-25.2. Flexible Compensation Plan.*

Notwithstanding any other provisions of law relating to the salaries of employees of community college boards of trustees, the State Board of Community Colleges is authorized to provide a plan of flexible compensation to eligible employees of constituent institutions for benefits available under Section 125 and related sections of the Internal Revenue Code of 1986 as amended. This plan shall not include those benefits provided to employees under Articles 1, 3, and 6 of Chapter 135 of the General Statutes nor any vacation leave, sick leave, or any other leave that may be carried forward from year to year by employees as a form of deferred compensation. In providing a plan of flexible compensation, the State Board may authorize constituent institutions to enter into agreements with their employees for reductions in the salaries of employees electing to participate in the plan of flexible compensation provided by this section. With the approval of the Director of the Budget, savings in the employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the State Board decide to contract with a third party to administer the terms and conditions of a plan of flexible compensation as provided by this section, it may select such a contractor only upon a thorough and completely advertised competitive procurement process."

(h) G.S. 116-17.2 reads as rewritten:

"*§ 116-17.2. Flexible Compensation Plan.*

Notwithstanding any other provisions of law relating to the salaries of employees of The University of North Carolina, the Board of Governors of The University of North Carolina is authorized to provide a plan of flexible compensation to eligible employees of constituent institutions for benefits available under Section 125 and related sections of the Internal Revenue Code of 1986 as amended. This plan shall not include those benefits provided to employees under Articles 1, 3, and 6 of Chapter 135 of the General Statutes nor any vacation leave, sick leave, or any other leave that may be carried forward from year to year by employees as a form of deferred compensation. In providing a plan of flexible compensation, the Board of Governors may authorize constituent institutions to enter into agreements with their employees for reductions in the salaries of employees electing to participate in the plan of flexible compensation provided by this section. With the approval of the Director of the Budget, savings in the employer's share of contributions under the Federal Insurance Contributions Act on account of the reduction in salary may be used to pay some or all of the administrative expenses of the program. Should the Board of Governors decide to contract with a third party to administer the terms and conditions of a plan of flexible compensation as provided by this section, it may select such a contractor only upon a thorough and completely advertised competitive procurement process."

(i) Subsections (a) through (d) of this section are effective January 1, 1990. Subsections (e) through (h) of this section are effective January 1, 1991. Subsections (a) through (h) of this section shall expire December 31, 1993.

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont

SALARY INCREASE CORRECTION

Sec. 15. Section 46(e) of Chapter 900 of the 1991 Session Laws reads as rewritten:

"(e) Within regular Executive Budget Act procedures as limited by this act, all State agencies and departments ~~may~~ shall increase on an equitable basis the rate of pay of temporary and permanent hourly State employees, subject to availability of funds in the particular agency or department, by pro rata amounts of the forty-three dollars and fifty cents ($43.50) per month salary increase provided for permanent full-time employees covered by the provisions of subsection (a) of this section, commencing July 1, 1992."

Requested by: Senators Basnight, Plyler, Representatives Nesbitt, Diamont
WRITTEN DISCIPLINARY PROCEEDINGS

Sec. 16. Section 49(c) of Chapter 900, Session Laws of 1991, reads as rewritten:

"(c) The salary increases provided in this Part are to be effective July 1, 1992 and do not apply to persons separated from State service due to resignation, dismissal, reduction in force, death, or retirement, whose last workday is prior to July 1, 1992, or to employees involved in a final written disciplinary ~~procedures.~~ procedure. The employee shall receive the increase on a current basis when the final written disciplinary procedure is resolved.

Payroll checks issued to employees after July 1, 1992, which represent payment for services provided prior to July 1, 1992, shall not be eligible for salary increases provided for in this act. This subsection shall apply to all employees, subject to or exempt from the State Personnel Act, paid from State funds, including public schools, community colleges, and The University of North Carolina."

Requested by: Senators Basnight, Block, Representatives Nesbitt, Diamont
BENEFIT ADJUSTMENTS/DISABILITY INCOME PLAN

Sec. 17. Effective on and after July 1, 1992, the Department of State Treasurer and the Board of Trustees of the Teachers' and State Employees' Retirement System shall, under the same terms and conditions as appear in G.S. 135-108, increase the compensation upon which the short-term and long-term benefits are calculated by an amount equal to the same dollar amount granted to employees of the State.

PART 8.2. STATE BOARD OF ELECTIONS

Requested by: Senator Martin of Guilford, Representative Michaux
VOTER PARTICIPATION AMENDMENTS-MAIL REGISTRATION

Sec. 18. (a) Chapter 163 of the General Statutes is amended by adding a new section to read:

"*§ 163-72.4. Registration by mail.*

(a) In addition to any other procedure provided by this Article, a person may apply by mail under this section to do any or all of the following:

(1) Register to vote;
(2) Change party affiliation or unaffiliated status;
(3) Report a change of address within a county;
(4) Report a change of name.

(b) The State Board of Elections shall develop a registration by mail form, which shall request sufficient information to enable officials of the county where a person resides to satisfactorily process the application for any purpose permitted under subsection (a) of this section. The State Board of Elections shall print sufficient copies of the form so that they may be publicly distributed. Registration forms shall be available from the State Board of Elections and county boards of elections, and may be distributed by any person. The single form shall permit all of the purposes listed under subsection (a) of this section to be carried out by filling in the appropriate information and marking boxes to indicate the action requested.

(c) In order to be valid, the registration form shall be signed by the applicant. To be valid for an election, the form must be postmarked at least 30 days before the election. The application form shall request the applicant's telephone number to assist the appropriate board of elections in contacting the voter if needed in processing the application. The application shall require the voter to state if the voter is currently registered to vote anywhere, and at what address, so that any prior registration can be cancelled. If that address is in the county where the voter applies to register, the application shall be processed as if it had been submitted under G.S. 163-72.2.

(d) The application shall ask for political party affiliation and briefly explain the law relating to party affiliation with respect to voting in primary elections.

(e) Reports received under this section of:

(1) Change in party affiliation shall be processed as if made under G.S. 163-74(b);

(2) Change of address within a county shall be processed as if made under G.S. 163-72.2(c); and

(3) Change of name shall be processed as if made under G.S. 163-69.1;

except for the different deadline imposed under subsection (c) of this section.

(f) Any person who willfully and knowingly and with fraudulent intent gives false information on the application is guilty of a Class I felony. The application shall state in clear language the penalty for violation of this subsection.

(g) Upon receipt of any or all of the following:

(1) An application to register;

(2) A change of party affiliation;

(3) A report of address change;

(4) A report of change of name

under this section, the county board of elections shall send to the postal address on the registration form a notice of registration, or a

notice of change of party affiliation, address, or name. The notice shall include an assignment of precinct and polling place, or a reminder of precinct and polling place if the voter is reporting only a change of party affiliation or name. The county board of elections shall send the notice by nonforwardable first-class mail. If the notice is returned as undeliverable, the county board of elections shall send a second nonforwardable first-class mailing. If that notice is returned as undeliverable, the county board of elections shall cancel the registration if it has been approved and shall reject it if it has not yet been approved.

(h) If a registration form is a duplicate of a registration already made, it shall not be processed, and the applicant shall be so notified. The notification shall include the voter's precinct and polling place.

(i) If the voter has listed a previous registration not in that county, the county board of elections shall treat it as an authorization to cancel the previous registration and also process it as such under the procedures of G.S. 163-72.1(c) through (e).

(j) The application shall require that the applicant pay the full postage required by federal law, except that if federal law provides that it may be carried without postage, the application shall contain the appropriate franking language to allow it to be carried without postage."

(b) Of the funds appropriated from the General Fund to the State Board of Elections in this act, the sum of seventy-seven thousand five hundred dollars ($77,500) for the 1992-93 fiscal year shall be used to implement the mail registration provisions of subsection (a) of this section.

(c) Subsection (a) of this section becomes effective July 1, 1993. Subsection (b) of this section is effective July 1, 1992.

Requested by: Senator Martin of Guilford, Representative Michaux
VOTER PARTICIPATION AMENDMENTS-MOTOR VOTER/MANDATED ANNUAL REGISTRATION DRIVE

Sec. 19. (a) G.S. 163-81 reads as rewritten:

"*§ 163-81. Driver license examiners ~~authorized~~ to accept applications to register voters.*

(a) Notwithstanding any other provision of law, ~~the State Board of Elections is authorized to appoint as special registration commissioners duly appointed driver license examiners of the Division of Motor Vehicles.~~

~~The State Board of Elections may appoint such number of license examiners as it deems necessary as special registration commissioners, and the persons appointed shall serve at the pleasure of the State~~

~~Board of Elections, and may be removed as a registration commissioner at any time for any reason satisfactory to the Board.~~

~~Before entering upon the duties of the office each special registration commissioner shall take the oath of office prescribed in Section 7 of Article VI of the North Carolina Constitution.~~ drivers license examiners are ex officio special registration commissioners for the purpose of this section. No additional oath is required.

(b) Special registration commissioners appointed under this section are authorized to accept applications to register persons who are qualified for registration regardless of that person's voting precinct or county of residence in the State. The special registration commissioners appointed pursuant to this section ~~shall possess those qualifications set forth in G.S. 163-41(b), and~~ shall have the same authority to accept applications to register voters as is conferred upon registration officials in this Chapter.

(c) The Division of Motor Vehicles shall, pursuant to the rules ~~and regulations~~ adopted by the State Board of Elections, ~~afford a~~ modify its forms so that any eligible person who applies for original issuance, renewal or correction of a driver's license or special identification card issued under G.S. 20-37.7 may, on a part of the form, ~~an opportunity to~~ complete an application to register to vote or to update his registration if the voter has changed his address or moved from one precinct to another or from one county to another. Any person who willfully and knowingly and with fraudulent intent gives false information on the application is guilty of a Class I felony. The application shall state in clear language the penalty for violation of this subsection. The necessary forms shall be prescribed by the State Board of Elections. All applications shall be forwarded by the Department of Transportation to the appropriate county board of elections. The form must ask for the previous voter registration address of the voter, if any. If a previous address is listed, and it is not in the county of residence of the applicant, the appropriate county board of elections shall treat the application as an authorization to cancel the previous registration and also process it as such under the procedures of G.S. 163-72.1(c) through (e). If a previous address is listed and that address is in the county where the voter applies to register, the application shall be processed as if it had been submitted under G.S. 163-72.2.

Registration shall become effective as provided in G.S. 163-67(a). Applications to register to vote accepted by a special registration commissioner under this section until the deadline established in G.S. 163-67(a) shall be treated as timely made for an election, and no person who applies to that special registration commissioner shall be

denied the vote in that election for failure to apply earlier than that deadline.

(d) The State Board of Elections is authorized to promulgate rules ~~and regulations~~ necessary to implement the provisions of this section."

(b) G.S. 163-80 reads as rewritten:

"*§ 163-80. Officers authorized to register voters.*

(a) Only the following election officials shall be authorized to register voters:

(1) Any member of a county board of elections who has been duly appointed pursuant to G.S. 163-22(c) and properly installed as required by G.S. 163-30 and 163-31.

(2) The supervisor of elections of a county board of elections appointed pursuant to the provisions of G.S. 163-35.

(3) Precinct registrars and judges of election appointed pursuant to the provisions of G.S. 163-41.

(4) Special registration commissioners appointed pursuant to the authority and limitation contained in G.S. 163-41(b), or serving ex officio pursuant to G.S. 163-81.

(5) Full-time and salaried deputy supervisors of elections employed by the county board of elections and who work under the direct supervision of the board's supervisor of elections appointed pursuant to the provisions contained in G.S. 163-35.

(6) Local public library employees designated by the governing board of such public library to be appointed by the county board of elections as special library registration deputies. Appointment of such deputies is mandatory for libraries covered by G.S. 153A-272; appointment is optional for other libraries. Persons appointed under this subsection shall be given the oath contained in G.S. 163-41(b), and shall be authorized to accept applications to register on those days and during those hours said special deputies are on duty with their respective libraries. If, for good and valid reasons, the local public library director shall request that the county board of elections appoint 'replacement' special library registration deputies before the two-year term ends, the county board of elections shall do so.

(7) Public high school employees appointed under this subdivision. A local board of education may, but is not required to, designate high school employees to be appointed by the county board of elections as special high school registration commissioners. Only employees who volunteer for this duty, and who are acceptable to the county board of elections, may be designated by boards of education. A

special high school registration commissioner may register voters only while on duty as a high school employee and only at times and under arrangements approved by the local school board of education. A person appointed under this subdivision shall take the oath prescribed in G.S. 163-41(b).

(b) All election officials authorized to register voters under authority of this section shall not be authorized to register voters who reside outside the boundaries of their respective counties except in those specific instances involving municipalities which lie within the boundaries of two or more counties and except as provided by G.S. 163-81. The State Board of Elections shall have authority to promulgate rules for the processing of voters in such instances.

(c) All election officials authorized by this section to register voters shall register any qualified voter without regard to political party affiliation and without discrimination in any manner whatsoever.

(d) The State Board of Elections shall promulgate rules for the proper training of those persons qualifying under this section as registrars."

(c) Of the funds appropriated from the General Fund to the Office of State Budget and Management in this act, the sum of fifty-five thousand four hundred dollars ($55,400) for the 1992-93 fiscal year shall be used to implement the voter registration provisions of subsections (a) and (b) of this section.

(d) Subsections (a) and (b) of this section become effective on January 1, 1994, or the date on which the Division of Motor Vehicles has in place the necessary equipment to enforce those sections, whichever date is earlier. Subsection (c) of this section is effective July 1, 1992.

(e) Article 7 of Chapter 163 of the General Statutes is amended by adding a new section to read:

"*§ 163-82. Mandated registration drive.*

The Governor shall proclaim as Citizens Awareness Month the month designated by the State Board of Elections during every even-numbered year. During that month, the State Board of Elections shall initiate a statewide voter registration drive and shall adopt rules under which county boards of elections shall conduct the drives. Each county board of elections shall participate in the statewide registration drive in accordance with the rules adopted by the State Board."

(f) Subsection (e) of this section becomes effective January 31, 1993.

PART 9. PUBLIC SCHOOLS

Requested by: Senator Basnight
SCHOOL CRITICAL NEEDS FUNDS

Sec. 20. The General Assembly finds that when the Commission on School Facility Needs established a schedule in 1988 for making grants from the Critical School Facility Needs Fund, in accordance with G.S. 115C-489.2(b), the data, although lawful, that the Commission used to determine per capita income was not the most current data available at the time that the Commission established the schedule. As a result of discrepancies in the data, the Tyrrell County School Administrative Unit was ranked 57th on the schedule instead of 32nd, and the Tyrrell County School Administrative Unit has not received the grant it would have received had the most current data been used. To remedy this problem, funds are appropriated in this act from the General Fund to the Office of State Budget and Management for the Critical School Facility Needs Fund in the sum of two million dollars ($2,000,000) for the 1992-93 fiscal year for a grant for the Tyrrell County Schools.

Requested by: Senator Hunt
OUTCOME-BASED EDUCATION PILOT SITE SELECTION

Sec. 21. G.S. 115C-238.14(e) reads as rewritten:

"(e) The State Board of Education shall select four of the project sites no later than June 15, 1992. The State Board shall base its decision on the local school administrative units' plans for, ability to, and commitment to complying with the requirements for local programs set out in subsection (c) of this section.

Because there is not enough time for the State Board of Education to select the additional two pilot sites authorized by the 1992 Regular Session of the 1991 General Assembly and for those two sites to begin implementation of the program during the 1992-93 school year, the remaining two pilot sites are hereby designated as the sites recommended to the Board by the State Superintendent at its regular July meeting."

Requested by: Senator Conder
EDUCATION STAFFING CLARIFIED

Sec. 22. (a) G.S. 115C-21(a)(7), as enacted by Section 6(g) of Chapter 812 of the 1991 Session Laws, reads as rewritten:

"(7) To have solely under his direction and control all matters relating to provision of staff services and support to the State Board of Education, including implementation of federal programs on behalf of the State Board of Education,

except as otherwise provided in the Current Operations Appropriations Act."

(b) This section is effective upon ratification.

Requested by: Senator Conder, Representatives Fussell, Payne
COMPUTER LOAN REVOLVING FUND

Sec. 23. (a) Chapter 115C of the General Statutes is amended by adding a new Article to read:

"Article 32B.

"Computer Loan Revolving Fund.

"*§ 115C-472.5. Creation of the Fund; administration.*

(a) The Department of Public Instruction shall administer the Computer Loan Revolving Fund. The Fund shall be used to provide loans to local school administrative units to enable them to purchase computer equipment to implement the Uniform Education Reporting System in accordance with the standards adopted by the State Board of Education pursuant to G.S. 115C-12(18).

(b) A loan shall be for the actual amount of the equipment up to a maximum to be determined by the Superintendent.

(c) Loans shall be evidenced by notes made payable to the Department of Public Instruction. The rate, term, and other conditions of the note shall be determined in accordance with uniform policies established by the Superintendent.

(d) The Department of Public Instruction shall report to the Information Resource Management Commission, the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the State Government Performance Audit Committee on an annual basis on all loans made from the fund."

(b) There is appropriated from the State Literary Fund to the Department of Public Education the sum of one million five hundred thousand dollars ($1,500,000) for the 1992-93 fiscal year for the Computer Loan Revolving Fund created in subsection (a) of this section.

This section shall become effective only to the extent that funds are available in the State Literary Fund in addition to the funds in the amount of one million dollars ($1,000,000) appropriated in Section 65 of Chapter 900 of the 1991 Session Laws.

PART 10. COMMUNITY COLLEGES

Requested by: Senator Richardson, Representatives Fussell, Payne
ASSISTANCE TO HOSPITAL NURSING/FUND DISTRIBUTION CONTINUED

Sec. 24. (a) Funds appropriated in this act to the Department of Community Colleges to provide financial assistance to hospital programs of nursing education leading to diplomas in nursing that are fully accredited by the North Carolina Board of Nursing and operated under the authority of a public or nonprofit hospital licensed by the North Carolina Medical Care Commission shall be distributed, upon application for financial assistance, for each full-time student duly enrolled in the program as of December 1, 1991, and on condition that accreditation is maintained. The amount per student shall not exceed eight hundred fifty dollars ($850.00). The State Board of Community Colleges shall adopt rules to ensure that this financial assistance is used directly for faculty and instructional needs of diploma nursing programs. These funds shall not be included in the 1993-95 capital budget request.

(b) This section expires June 30, 1993.

Requested by: Representative Easterling

CERTAIN REFUGEES STATE RESIDENTS FOR COMMUNITY COLLEGE TUITION PURPOSES

Sec. 25. (a) G.S. 115D-39 reads as rewritten:

"§ *115D-39. Student tuition and fees.*

The State Board of Community Colleges shall fix and regulate all tuition and fees charged to students for applying to or attending any institution pursuant to this Chapter.

The receipts from all student tuition and fees, other than student activity fees, shall be State funds and shall be deposited as provided by regulations of the State Board of Community Colleges.

The legal resident limitation with respect to tuition, set forth in G.S. 116-143.1 and G.S. 116-143.3, shall apply to students attending institutions operating pursuant to this Chapter; provided, however, that when an employer other than the armed services, as that term is defined in G.S. 116-143.3, pays tuition for an employee to attend an institution operating pursuant to this Chapter and when the employee works at a North Carolina business location, the employer shall be charged the in-State tuition rate. Notwithstanding these requirements, a refugee who lawfully entered the United States and who is living in this State shall be deemed to qualify as a domiciliary of this State under G.S. 116-143.1(a)(1) and as a State resident for community college tuition purposes as defined in G.S. 116-143.1(a)(2)."

(b) This section does not apply to migrant workers.

(c) The State Board of Community Colleges shall report to the 1993 General Assembly by March 15, 1993, on the implementation of this section and on its effects.

(d) This section applies beginning with the 1992-93 fall quarter and expires June 30, 1993, unless extended by the General Assembly.

PART 11. COLLEGES AND UNIVERSITIES

Requested by: Senator Basnight
HIGH DENSITY POLYESTER PATENT RESEARCH AND TECHNOLOGY TRANSFER COMPLETION

Sec. 26. Of the funds appropriated to the Board of Governors of The University of North Carolina in this act, the sum of ninety-seven thousand dollars ($97,000) shall be allocated to North Carolina State University for completion of the research and technology transfer of high density polyester for which patent applications are pending. These funds shall be repaid to the General Fund from royalties paid the North Carolina State University Patent Reserve Fund from the companies licensed to use the patents.

Requested by: Senator Conder
NORTH CAROLINA STATE UNIVERSITY ENGINEERING GRADUATE RESEARCH CENTER/FUNDING

Sec. 27. Funds appropriated in this act for the Engineering Graduate Research Center at North Carolina State University may be used with previously appropriated funds to begin Phase I site development and foundation construction on this facility.

Requested by: Senator Ward Representatives Fussell, Payne
NURSE ANESTHETIST TRAINING FUNDS

Sec. 28. Of the funds appropriated to the Board of Governors of The University of North Carolina for the 1992-93 fiscal year, the sum of one hundred fifty thousand dollars ($150,000) shall be used to allow the Area Health Education Center program to contract with the Raleigh School of Nurse Anesthesia for training of certified, nurse anesthetists.

FAYETTEVILLE STATE PHYSICAL EDUCATION FACILITY

Sec. 29. The Board of Governors of The University of North Carolina may allocate funds from the Reserve for Repairs and Renovations to cover any increase in costs on the Fayetteville State University Indoor Health and Physical Education Facility due to changes in code requirements since design completion.

PART 12. DEPARTMENT OF TRANSPORTATION

Requested by: Senator Goldston, Representatives Holt, McLaughlin

1992 CAPITAL CONSTRUCTION MODIFICATIONS

Sec. 30. Section 236.1 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 236.1. Appropriations are made from the Highway Fund for the 1991-92 fiscal year and the 1992-93 fiscal year for use of the Department of Transportation to provide for capital improvement projects according to the following schedule:

DIVISION OF HIGHWAYS

	1991-92	1992-93
01. Bridge Maintenance Office Complex Supplemental - Town of Brunswick	$224.000	$ -
02. Equipment Shop - Carthage	-	2,247.000
03. Bridge Maintenance Complex - Wadesboro	26.000	439.000
04. Gas Pump Canopies - Statewide	398.000 ~~311.000~~ -	
05. Fencing - Statewide	171.000	-
06. Land Acquisition - Siler City	~~54.000~~ -	-
07. Land Acquisition/Maintenance Yard - Halifax	13.000	-
08. Land Acquisition/Maintenance Yard - Trenton	27.000	-
09. Water and Sewer Connections - Statewide	308.000	-
-Greene County Facility	400.000	-
10. Division Office Complex Phase II - Fayetteville	-	1,688.000
11. Division Office Addition - Greensboro		
Requirements	589.000	
Less Receipts (Sale of Land)	-589.000	
Appropriation	-	-

12.	Landscape Office, Warehouse and Truck Shed - Asheville		
	Requirements	472,000	
	Less Receipts (Sale of Land)	-472,000	
	Appropriation	-	-
13.	Salt Storage Buildings - Statewide	405,000~~67,000~~	-
14.	Equipment Shop - Mocksville	511,000	-
15.	District Office Building - Albemarle	49,000~~247,000~~	333,000
16.	Division of Highways/Division of Motor Vehicles Office Complex - Graham	67,000	-
17.	Sign Shop - Town of Union	- ~~725,000~~	-
18.	Design Equipment Shop - Meadows	- ~~41,000~~	52,000
19.	Design Equipment Shop - Spindale	- ~~24,000~~	40,000
20.	Design Equipment Shop - Washington	- ~~40,000~~	49,000
21.	Design Equipment Shop - Wentworth	- ~~44,000~~	54,000
22.	Bridge Maintenance Warehouse/Shed - Town of Union	- ~~81,000~~	-
23.	Design Sign Shop - Carthage	- ~~33,000~~	42,000
24.	Design District/Resident Engineer Office - Marion	- ~~18,000~~	49,000
25.	Design Equipment Shop - Kinston	- ~~43,000~~	49,000
26.	Land Purchase - Robbinsville	-	17,000
27.	Land Purchase - Roxboro	-	17,000
28.	District/Resident Engineers Office - Wilmington	-	434,000

29.	Roadside Environmental Warehouse/ Office - Marion	-	188,000
30.	Maintenance Office/Assembly - Hudson	-	309,466
31.	Division Office (Supplement) - Durham	-	85,000
32.	Materials and Test Lab Design-Asheville	-	34,000
33.	Highway Building - Fire Alarm System - Raleigh	-	141,000
TOTAL DIVISION OF HIGHWAYS		~~$2,653,000~~ $2,599,000	~~$6,048,000~~ $6,267,466

DIVISION OF MOTOR VEHICLES

		1991-92	1992-93
01.	Upgrade Electrical Power, Communication and Computer Circuits - Raleigh Division of Motor Vehicles Building	$ 216,200	$ -
02.	Building Addition - Wilmington	221,900	-
03.	Building Addition - Statesville	170,075	-
04.	New Office Building - Asheville	635,100	-
05.	Roof Replacement (7 Locations)	100,500	-
06.	Resurface Parking Lots (6 Locations)	107,500	-
07.	Roof Replacement (7 Locations)	-	103,100
08.	Resurface Parking Lots (6 Locations)	-	111,900
09.	Building Addition - Goldsboro	-	167,630
10.	Building Addition - Whiteville	-	164,770

11. Building Addition - Hillsborough	-	179,200
12. Building Addition - Kinston	-	179,200
13. Building Addition - Jacksonville	-	174,800
14. Reserve to Make Restrooms Handicapped Accessible in DMV Facilities	25,000	25,000
TOTAL DIVISION OF MOTOR VEHICLES	$1,476,275	$1,105,600
CRIME CONTROL AND PUBLIC SAFETY		
01. State Highway Patrol - Troop H Headquarters - New Building	$190,000	$1,348,900
02. State Highway Patrol - Upgrade and Replace Underground Fuel Tanks	300,000	300,000
TOTAL CRIME CONTROL AND PUBLIC SAFETY	$ 490,000	$1,648,900
GRAND TOTAL HIGHWAY FUND	~~$4,619,275~~ $4,565,275	~~$8,802,500~~ $9,021,966"

Requested by: Senator Goldston, Representatives Holt, McLaughlin

DEPARTMENT OF TRANSPORTATION CAPITAL CONSTRUCTION FUNDS REVERSIONS

Sec. 31. (a) The balance of fifty-four thousand dollars ($54,000) appropriated for land acquisition in Siler City in Section 236.1 of Chapter 689 of the 1991 Session Laws is reverted to the Highway Fund to be reappropriated for the 1992-93 fiscal year.

(b) The balance of one hundred eleven thousand nine hundred dollars ($111,900) appropriated to landscape the office and warehouse in Graham in Section 6 of Chapter 754 of the 1989 Session Laws is reverted to the Highway Fund to be reappropriated for the 1992-93 fiscal year.

(c) The balance of fifty-three thousand five hundred sixty-six dollars ($53,566) for the maintenance complex in Craggy (Buncombe County) in Section 5 of Chapter 480 of the 1985 Session Laws is

reverted to the Highway Fund to be reappropriated for the 1992-93 fiscal year.

Requested by: Senator Plyler, Representatives Holt, McLaughlin
MOBILE CRANE STUDY

Sec. 32. The Department of Transportation shall study the requests of the mobile crane industry as compared to current rules, regulations, and policies regarding permitted movement of self-propelled truck cranes. A report detailing the results of this study shall be submitted to the Joint Legislative Highway Oversight Committee prior to the convening of the 1993 Session of the General Assembly.

Requested by: Senator Plyler, Representatives Holt, McLaughlin
TRAFFIC CONTROL FUNDS

Sec. 33. Effective until January 1, 1993, G.S. 20-79.7(b) reads as rewritten:

"(b) (Reserved) ~~Initial Distribution of Proceeds. -- After deducting the costs of the special registration plates from the Fund, the Secretary of Transportation may allocate and reserve up to one hundred thousand dollars ($100,000) to the Department of Transportation each fiscal year for the purpose of traffic control at major events as provided for by G.S. 136-44.2. Any funds allocated for traffic control that are neither used nor obligated at the end of the fiscal year shall remain in the Fund and be used in accordance with subsection (c) of this section.~~"

Sec. 34. Effective January 1, 1993, G.S. 20-79.7(b), as amended by Chapter 1042 of the 1991 Session Laws, reads as rewritten:

"(b) Distribution of Fees. -- The Special Registration Plate Account and the Collegiate and Historical Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a) among the Special Registration Plate Account (SRPA), the Collegiate and Historical Attraction Plate Account (CHAPA), and the Recreation and Natural Heritage Trust Fund (RNHTF), which is established under G.S. 113-77.7, as follows:

Special Plate	SRPA	CHAPA	RNHTF
Historical Attraction	$10	$20	0
In-State Collegiate Insignia	$10	$15	0
Out-of-state Collegiate Insignia	$10	0	$15
Personalized	$10	0	$10
All other Special Plates	$10	0	0

~~After deducting the costs of the special registration plates from the Special Registration Plate Account, the Secretary of Transportation may allocate and reserve up to one hundred thousand dollars ($100,000) to the Department of Transportation each fiscal year for the purpose of traffic control at major events as provided for by G.S. 136-44.2. Any funds allocated for traffic control that are neither used nor obligated at the end of the fiscal year shall remain in the Special Registration Plate Account and be used in accordance with subsection (c) of this section.~~"

Sec. 35. G.S. 136-44.2 reads as rewritten:

"§ *136-44.2. Budget and appropriations.*

The Director of the Budget shall include in the 'Current Operations Appropriations Bill' an enumeration of the purposes or objects of the proposed expenditures for each of the construction and maintenance programs for that budget period for the State primary, secondary, urban, and State parks road systems. The State primary system shall include all portions of the State highway system located outside municipal corporate limits which are designated by N.C., U.S. or Interstate numbers. The State secondary system shall include all of the State highway system located outside municipal corporate limits that is not a part of the State primary system. The State urban system shall include all portions of the State highway system located within municipal corporate limits. The State parks system shall include all State parks roads which are not also part of the State highway system.

All construction and maintenance programs for which appropriations are requested shall be enumerated separately in the budget. Programs that are entirely State funded shall be listed separately from those programs involving the use of federal-aid funds. Proposed appropriations of State matching funds for each of the federal-aid construction programs shall be enumerated separately as well as the federal-aid funds anticipated for each program in order that the total construction requirements for each program may be provided for in the budget. Also, proposed State matching funds for the highway planning and research program shall be included separately along with the anticipated federal-aid funds for that purpose.

Other program categories for which appropriations are requested, such as, but not limited to, maintenance, channelization and traffic control, bridge maintenance, public service and access road construction, and ferry operations shall be enumerated in the budget.

The Department of Transportation shall have all powers necessary to comply fully with provisions of present and future federal-aid acts. No federally eligible construction project may be funded entirely with State funds unless the Department of Transportation has first consulted with the Joint Legislative Commission on Governmental Operations.

For purposes of this section, 'federally eligible construction project' means any construction project except secondary road projects developed pursuant to G.S. 136-44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not federal funds are actually available.

The 'Current Operations Appropriations Bill' shall also contain the proposed appropriations of State funds for use in each county for maintenance and construction of secondary roads, to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated for secondary roads shall not be transferred nor used except for the construction and maintenance of secondary roads in the county for which they are allocated pursuant to G.S. 136-44.5 and 136-44.6.

In the event receipts and increments to the State Highway Fund shall be more than the appropriations made for the preceding fiscal year, such excesses shall be allocated by the Director of the Budget to the Department of Transportation for school and industrial access roads and unforeseen happenings or state of affairs requiring prompt action, with fifty percent (50%) of the balance to be allocated to the State secondary roads program on the basis of need as determined by the Department of Transportation and the remaining fifty percent (50%) to be allocated in accordance with G.S. 136-44.5.

The Department of Transportation may provide for costs incurred or accrued for traffic control measures to be taken by the Department at major events which involve a high degree of traffic concentration on State highways, and which cannot be funded from regular budgeted items. This authorization applies only to events which are expected to generate 30,000 vehicles or more per day. The Department of Transportation shall provide for this funding by allocating and reserving up to one hundred thousand dollars ($100,000) before any other allocations from the appropriations for State maintenance for primary, secondary, and urban road systems are made, based upon the same proportion as is appropriated to each system."

Requested by: Senator Barnes, Representatives Holt, McLaughlin
AIR CARGO APPROPRIATION REIMBURSEMENT REPEALED

Sec. 36. Section 2.1 of Chapter 749 of the 1991 Session Laws is repealed.

Requested by: Senator Goldston, Representatives Holt, McLaughlin
MODIFICATION TO CURRENT OPERATIONS -- HIGHWAY FUND

Sec. 37. Section 4 of Chapter 900 of the 1991 Session Laws reads as rewritten:

"CURRENT OPERATIONS/HIGHWAY FUND

Sec. 4. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the fiscal year ending June 30, 1993, according to the schedule that follows. The amounts set out in the schedule are in addition to other appropriations from the Highway Fund for these purposes for the 1992-93 fiscal year. Amounts set out in brackets are reductions from Highway Fund appropriations for the 1992-93 fiscal year.

Current Operations-Highway Fund	1992-93
Department of Transportation	
01. Administration	$ 3,694,922
02. Division of Highways	
a. State Construction	
(01) Secondary Construction	446,402
(02) Urban Construction	(1,000,000)
(03) Spot Safety Improvements	(2,000,000)
b. State Funds to Match Federal Highway Aid	
(01) Construction	(18,000,000)
c. State Maintenance	
(01) Secondary	(559,204)
(02) Contract Resurfacing	(15,000,000)
d. Ferry Operations	(1,000,000)
03. Division of Motor Vehicles	4,252,600
04. State Aid to Municipalities	446,402
05. Salary Adjustments for Highway Fund Employees	(59,344)
06. Reserve to Continue DOT Merit Salary Increases	(86,143)
07. Reserve for Salary Increases	7,045,254
08. Reserve for State Employee Health Benefit Plan	(2,675,722)
09. Transfer to General Fund for Reimbursement for Sales Tax Exemption 700,000	
10. Reserve for Air Cargo	2,500,000
Appropriations for Other State Agencies	
01. Crime Control and Public Safety	(603,913)
02. Revenue	86,968

03. Agriculture	169,806
~~03.~~ 04. Environment, Health, and Natural Resources	~~(86,968)~~ (256,774)
GRAND TOTAL CURRENT OPERATIONS/ HIGHWAY FUND	$ (21,898,746)"

Requested by: Senator Goldston, Representative Diamont
ASSIGNMENT OF DEPARTMENT OF TRANSPORTATION MOTOR VEHICLES WITHOUT MINIMUM MILEAGE REQUIREMENTS

Sec. 38. For the 1992-93 fiscal year only, all State owned passenger motor vehicles which are permanently assigned to the Division of Highways of the Department of Transportation field personnel only, are exempt from the minimum mileage utilization requirements of G.S. 143-341(8)i.7a. This exemption is allowed in order to study the unique responsibilities of Division of Highways field employees, compared to other State employees, with regard to complying with regulations for having a permanently assigned vehicle.

The Department shall report quarterly to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Highway Oversight Committee, and the Fiscal Research Division of the Legislative Services Office, beginning October 1, 1992, for the preceding quarter, on:

(1) The use of these vehicles, including:
   a. A list of the employees to whom these vehicles are assigned;
   b. Their job classifications; and
   c. The round-trip mileage from their home to the nearest official work station other than the project site;
(2) The number of vehicles not driven the required minimum mileage;
(3) The certified overtime hours worked by these employees, listed by highway district; and
(4) The savings realized by not having to meet the minimum mileage requirements.

Requested by: Senator Goldston, Representative Holt
EXTEND LIABILITY PROTECTION FOR DEPARTMENT OF TRANSPORTATION PERSONNEL AND BOARD OF TRANSPORTATION MEMBERS

Sec. 39. (a) Article 31A of Chapter 143 of the General Statutes is amended by adding a new section to read:

"*§ 143-300.10. Payment of excess damages relating to unconstitutional goals program.*

In an action to which this Article applies, the State shall pay the excess amount of a judgment or settlement under G.S. 143-300.6 for damages against a State employee or member of a State board or commission for enforcing or administering a goals program promoting participation by disadvantaged businesses, minority businesses, and women businesses, in contracts let by a State department or agency that is held unconstitutional. The excess amount is the amount of the judgment or settlement over (i) the limit provided in G.S. 143-300.6(a) and (ii) any coverage under G.S. 58-32-15. This section does not waive the sovereign immunity of the State with respect to any claim."

(b) This section applies to any litigation challenging the constitutionality of a goals program and pending before a court on or after the date of ratification of this act.

Requested by: Senator Goldston, Representatives Ethridge, Smith
CARTERET COUNTY NAUTICAL CENTER

Sec. 40. From funds appropriated to the Department of Transportation for fiscal year 1992-93 and allocated for the construction of a Visitors Center in Morehead City, the Department of Transportation shall use unspent funds allocated to construction of the Visitors Center for construction of a Nautical Center in Beaufort, North Carolina.

PART 13. DEPARTMENT OF CORRECTION

Requested by: Senators Plyler, Marvin, Representatives Redwine, Anderson, H. Hunter
PRISON BOND REALLOCATION/ADMINISTRATION CHANGES

Sec. 41. (a) Section 239(c) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(c) *Descriptions, Custodial Levels, Beds, Projected Allocations.* Appropriations are made from bond proceeds for use by the Departments of Correction and Human Resources to provide for capital improvement projects as herein provided.

The proceeds of bonds and notes shall be expended for paying the cost, as defined in the bond act, of prison and youth services facilities, to the extent and as provided in this section and subject to change as herein provided, for the following projects:

DEPARTMENT OF CORRECTION

Project Description	Custodial Level	Beds
Nash Correctional Institution	~~Med~~ Close	128
Marion Correctional Center	~~Med~~ Close	~~906~~ 752
Cherry Correctional Center	Min	500
~~Central Prison~~	~~Close~~	~~144~~
Odom Correctional Institution	Close	192
Pasquotank Youth Institution	~~Med~~ Close	~~440~~ 664
NCCIW	Close/Med	256
NCCIW - Repairs and Renovations		
Lumberton Correctional Center	Med	312
Fountain Correctional Center	Min	100
Greene Correctional Center	Min	200
~~Hyde Correctional Center~~	~~Med~~	~~312~~
Brown Creek Sewing Plant		
Pender Furniture Refurbishing Facility		
~~Columbus Sewing Facility~~		
Caswell Sewing and Tailoring Equipment		
Harnett Dining Hall		
Provide dayrooms at 49 units to comply with Small v. Martin lawsuit		
Subtotal	~~3,298~~ 3,104	~~$96,980,702~~ $101,380,310
Contingencies		6,399,608 2,000,000
TOTAL		$103,380,310

DEPARTMENT OF HUMAN RESOURCES-DIVISION OF YOUTH SERVICES

7 Secure/nonsecure group homes
9 beds added to Pitt Detention Ctr.
Renovate unused dorms & upgrade to meet American Correctional Association Standards
Dillon secure unit, counseling space, & fencing at 5 facilities
Conversion of dorms to individual

rooms
Increase number of transition
beds - step down & independent
living for Training Schools

$9,119,690"

(b) Section 239(f) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(f) *Administration.* With respect to facilities authorized for the Department of Correction, the Office of State Budget and Management may contract for and supervise all aspects of administration, technical assistance, design, construction or demolition of prison facilities in order to implement the providing of prison facilities under the provisions of this act without being subject to the requirements of the following statutes and rules implementing those statutes: G.S. 143-135.26(1), 143-128, 143-129, 143-131, 143-132, 143-134, 143-135.26, ~~143-64.10 through 143-64.13,~~ 113A-1 through 113A-10, 113A-50 through 113A-66, ~~133-1.1(b),~~ 133-1.1(g), and 143-408.1: provided, however, of the funds allocated under the provisions of this act for the construction of prison facilities, the Office of State Budget and Management shall have a verifiable ten percent (10%) goal for participation by minority and women-owned businesses. All contracts for the design, construction, or demolition of prison facilities shall include a penalty for failure to complete the work by a specified date.

The proposals for prison facilities authorized in this section shall be invited by advertisement in newspapers having general circulation in the State. The form of advertisement shall be prepared in the form of Section 301 of the State Construction Manual of the Department of Administration, and shall be published in one issue of the newspaper. A minimum of at least seven full days shall lapse between the date of publication and the date of the opening of bids. Initiation of the advertisement shall be by the Office of State Budget and Management.

The Office of State Budget and Management shall consider alternative delivery systems that could expedite the delivery of prison facilities. Such delivery systems as design-build, using modular or conventional building systems, shall be considered. However, in order for such alternatives to be used, the Department of Correction must approve the proposed design for operational programming and cost of operations and maintenance.

The Office of State Budget and Management shall involve the Office of State Construction of the Department of Administration in all aspects of the projects to ensure that all prison facilities are constructed consistent with Office of State Construction standards and procedures. Such involvement shall include but not be limited to the review of plans and specifications for each project prior to the award

of contracts, attendance at scheduled project meetings, on-site inspections, review of all change orders, final inspections, review of punch lists of project deficiencies and written verification of the correction of such deficiencies, and certification of the identity of the designer of record on each project.

The Office of State Budget and Management shall involve the Department of Correction in all aspects of the projects to the extent that such involvement relates to the Department's Program needs and to its responsibility for the care of the prison population.

The Office of State Construction, the Department of Insurance, and the Department of Correction shall immediately report any concerns regarding the prison construction program to the Office of State Budget and Management. Any concerns not satisfactorily resolved with the Office of State Budget and Management shall be reported immediately to the Joint Legislative Commission on Governmental Operations. The Office of State Construction, the Department of Insurance, and the Department of Correction shall report quarterly to the Joint Legislative Commission on Governmental Operations on their involvement with the Office of State Budget and Management and the project manager in the prison construction program."

Requested by: Senator Marvin, Representative Redwine

COLUMBUS SEWING FACILITY

Sec. 42. (a) Section 239(g) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(g) *Changes.* To the extent that funds are not required to be expended for the specific projects described in this section, appropriations authorized herein may be used to construct, reconstruct, or renovate prison industrial and forestry enterprise, facilities, as mentioned in G.S. 148-2, at prison facilities statewide, as replacement projects, and to make necessary prison facility repairs and renovations but no such funds may be used for operating expenditures. The first priority for the use of funds not required to be expended for the specific projects described in this section shall be for the construction of the sewing facility at Columbus Correctional Center. Prior to taking any action under subsection (g), the Governor may consult with the Advisory Budget Commission."

(b) In the event that funds are not available from the prison bond allocations made in Section 239 of the 1991 Session Laws to construct the sewing facility at Columbus Correctional Center, the Department of Correction shall make available from the profits of the North Carolina Correction Enterprises Revolving Fund funds sufficient for the construction of the sewing facility at Columbus Correctional Center.

Requested by: Senator Parnell, Representatives Redwine, Anderson
PERMIT DEPARTMENT OF CORRECTION TO HIRE TEMPORARY EMPLOYEES

Sec. 43. Notwithstanding G.S. 143-16.3, for the 1992-93 fiscal year only, the Director of the Budget may authorize the Department of Correction, Division of Adult Probation and Parole, to hire temporary employees to work on data entry.

Requested by: Senator Parnell, Representative Nesbitt
PRISON CHAPEL RESERVE

Sec. 44. A Reserve for Prison Chapels is established in the Office of State Budget and Management to construct chapels at correctional facilities. The funds are to be allocated to specific chapel projects when a minimum local match of one dollar for every two State dollars needed for the estimated project cost is made available. No more than fifty thousand dollars ($50,000) of State funds shall be allocated to any single project.

The Department of Correction shall notify all prison units of the availability of these funds and shall solicit letters of intent from interested units. The Department shall evaluate the letters of intent for proposed chapel projects, notify those prison units whose projects appear most likely to obtain local matching funds during the 1992-93 fiscal year, and authorize those units to proceed based upon the total availability of State funds. The Department shall notify the Office of State Budget and Management of those units that have been authorized to proceed.

The Office of State Budget and Management shall report quarterly to the Joint Legislative Commission on Governmental Operations on any allocations from the reserve established in this section.

PART 14. DEPARTMENT OF HUMAN RESOURCES

Requested by: Senators Martin of Guilford, Richardson, Representatives Easterling, Nye
MOTOR FLEET MANAGEMENT STUDY

Sec. 45. The Joint Legislative Commission on Governmental Operations shall study the whole issue of motor fleet management. This study shall include:

(1) The extent to which centralized motor fleet management is needed and appropriate;
(2) The identification of agencies and agencies' functions that should be subject to centralized management;
(3) The criteria for exemption from centralized management;

a. For agencies;
b. For agencies' functions; and
c. For specific categories of vehicles; and

(4) Other related matters.

The Commission shall include the results of this study, together with any legislative proposals, in its report to the 1993 General Assembly.

Requested by: Senator Richardson, Representative Flaherty
OWNERSHIP, CUSTODY, OR CONTROL OF VEHICLES PURCHASED BY THE DIVISION OF VOCATIONAL REHABILITATION SERVICES

Sec. 46. The Division of Vocational Rehabilitation Services, Department of Human Resources, may use funds made available to it to purchase vehicles to be used primarily to transport clients being served pursuant to the Rehabilitation Act of 1973, 42 U.S.C. 701 *et seq.*, as amended. Notwithstanding the provisions of G.S. 143-341(8)i.3., the Division of Vocational Rehabilitation Services shall not be required to transfer ownership, custody, or control of any vehicle purchased pursuant to this section to the Department of Administration.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye
DOBBS SCHOOL RELOCATION FUNDS

Sec. 47. Notwithstanding any other provisions of law, if the current Dobbs School site is selected as the site for the Air Cargo Complex, funds allocated to the Department of Human Resources for renovations to the Dobbs School from the North Carolina Prison and Youth Services Bond Fund by Section 239 of Chapter 689 of the 1991 Session Laws, shall be used to begin the process of constructing facilities for the relocation of the Dobbs School to land currently allocated to the Department of Human Resources and adjacent to Caswell Center.

Requested by: Senators Richardson, Walker, Representative Holt
LIFE PLAN TRUST CORRECTION

Sec. 48. (a) G.S. 36A-59.21, as enacted by Chapter 768 of the 1991 Session Laws, is repealed.

(b) This section is effective July 1, 1992.

Requested by: Senators Richardson, Walker, Representative Ethridge
HEAD START FUND ALLOCATION

Sec. 49. Of the funds appropriated in this act to the Department of Human Resources for the 1992-93 fiscal year, the sum of one million seven hundred sixty thousand dollars ($1,760,000) is allocated to the Division of Economic Opportunity to provide grants to local private nonprofit agencies administering Head Start programs. These funds shall be used by the Head Start agencies for the payment of the cost of acquiring, constructing, reconstructing, renovating, equipping, and improving classroom facilities for the existing Head Start programs. The Department of Human Resources shall develop a formula for the distribution of State supplemental Head Start funds to those counties with the greatest relative burden of low-income children who qualify for Head Start. The formula may include factors based on the percentage of North Carolina's children aged birth to 5 who are in poverty in each county, the percentage of North Carolina's Aid to Families with Dependent Children recipients in each county, the percentage of North Carolina's unserved eligible Head Start children in each county, and any other statistical indicator that is in keeping with the legislative intent.

Each Head Start program that is allocated State supplemental Head Start funds pursuant to this section shall submit a budget for review by the State. The budget will itemize the program's expenditure of State funds. The expenditure needs shall fall under the allowable expenditure categories identified above.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

MENTAL HEALTH FACILITY PLANS

Sec. 50. The funds appropriated in this act for area mental health programs shall be allocated in grants not to exceed two hundred thousand dollars ($200,000) per grant. The grants are subject to the Department of Human Resources' approval of the grant application. Grant funds shall be matched by local funds on a dollar-for-dollar basis.

Requested by: Senators Richardson, Walker, Representatives Easterling, Nye

RURAL HEALTH RECRUITMENT FUNDS

Sec. 51. The funds appropriated in this act to the Office of Rural Health for rural health recruitment shall be used to pay first, second, and third-year residents in family medicine, internal medicine, or general pediatric medicine the sum of ten thousand dollars ($10,000) upon the resident's agreeing to practice in an area designated by the Office of Rural Health as medically underserved.

Repayment of the stipend is forgiven if the resident completes the full year of service in a medically underserved area of North Carolina.

The Office of Rural Health shall report expenditures for this program to the 1993 General Assembly by the end of the first week after convening.

This item shall not become a part of the continuation budget request for the 1993-95 fiscal biennium.

PART 15. DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

ECONOMIC DEVELOPMENT FUNDS

Sec. 52. Section 157(f) of Chapter 900 of the 1991 Session Laws, 1992 Regular Session, reads as rewritten:

"(f) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc., six hundred fifty thousand dollars ($650,000) for the 1992-93 fiscal year shall be used to expand the Microenterprise Loan Program. Of these funds, no less than four hundred thousand dollars ($400,000) shall be used as loan capital or as loan loss reserves and no more than two hundred fifty thousand dollars ($250,000) shall be used to cover operational costs. The North Carolina Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds."

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

HOUSING TRUST FUND FUNDS

Sec. 53. There is appropriated from the funds and interest thereon received from the United States Department of Energy's Stripper Well Litigation (MDL378) which remain in the Special Reserve for Oil Overcharge Funds to the Office of State Budget and Management the sum of two million dollars ($2,000,000) for the 1992-93 fiscal year for the purposes authorized in G.S. 122E-6. Funds appropriated under this section are in addition to any other funds appropriated in this act for these purposes.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

CENTER FOR COMMUNITY SELF-HELP FUNDS

Sec. 54. (a) Of the funds appropriated in this act to the Office of State Budget and Management, the sum of two million dollars

($2,000,000) for the 1992-93 fiscal year shall be allocated to the Center for Community Self-Help to further a statewide program of lending to small businesses and other economic development projects in rural and other depressed or disadvantaged communities throughout North Carolina, provided these funds are matched on the basis of one dollar ($1.00) of funds from the Center for Community Self-Help or its affiliates for every one dollar ($1.00) of State funds. The appropriation shall be equally allocated among the eastern, central, and western regions of North Carolina. Loans or loan guarantees made under the program shall be conditioned on the unavailability of loans for the same purposes from private lenders upon reasonably equivalent terms and conditions. Payments of principal shall be available for further loans.

(b) The Center for Community Self-Help shall submit, within 180 days after the close of its fiscal year, audited financial statements to the State Auditor. All records pertaining to the use of State funds shall be made available to the State Auditor upon request. The Center for Community Self-Help shall make quarterly reports on the use of State funds to the State Auditor, in form and format prescribed by the State Auditor or his designee. The Center for Community Self-Help shall make a written report by May 1 of each year for the next three years to the General Assembly on the use of the funds appropriated by this act.

(c) The Center for Community Self-Help shall report to the Joint Legislative Commission on Governmental Operations, the House Appropriations Subcommittee on Environment, Health, and Natural Resources, the Senate Appropriations Committee on Natural and Economic Resources, and the Department of Economic and Community Development on a quarterly basis for the next three years.

(d) The Office of the State Auditor may conduct an annual end-of-year audit of the revolving fund for economic development lending created by this appropriation for each year of the life of the revolving fund.

(e) If the Center for Community Self-Help dissolves, the corporation shall transfer the remaining assets of the revolving fund to the State and shall refrain from disposing of the revolving fund assets without approval of the State Treasurer.

(f) The Office of State Budget and Management shall disburse this appropriation within 15 working days of the receipt of a request for the funds from the Center for Community Self-Help. The request shall include a commitment of the matching funds by the Center for Community Self-Help or its affiliates.

PART 16. DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

Requested by: Senators Martin of Pitt, Perdue, Representatives Ethridge, H. Hunter

WATER RESOURCES DEVELOPMENT FUNDS

Sec. 55. (a) Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the 1992-93 fiscal year, the sum of two million dollars ($2,000,000) shall be used for water resources development projects. The Department shall fund the following projects, whose estimated costs are as indicated:

(1)	Wilmington Harbor Deepening Study	$ 750,000
(2)	Aquatic Plant Control	35,000
(3)	Jordan Lake Water Supply Repayment & Operation	110,000
(4)	Lower Creek Flood Control-Lenoir	161,000
(5)	Morehead City Harbor Deepening	395,000
(6)	Hydrilla Eradication Lake Gaston	100,000
(7)	Wilmington Harbor Navigation	449,000

(b) Where the actual costs are different from the estimated costs under subsection (a) of this section, the Department may adjust the allocations among projects as needed. If any projects listed in subsection (a) of this section are delayed and the budgeted State funds cannot be used during the 1992-93 fiscal year, or if the projects listed in subsection (a) of this section are accomplished at a lower cost, the Department may use the resulting fund availability to fund:

(1) Corps of Engineers project feasibility studies, or

(2) Corps of Engineers projects whose schedules have advanced and require State matching funds in fiscal year 1992-93, or

(3) State-local Water Resources Development Projects.

Funds not expended or encumbered for these purposes shall revert to the General Fund at the end of the 1993-94 fiscal year.

(c) Beginning October 1, 1992, the Department shall make quarterly reports on the use of these funds to the Joint Legislative Commission on Governmental Operations, the Director of the Fiscal Research Division, and the Office of State Budget and Management. Each report shall include:

(1) All projects listed in this section;
(2) The estimated cost of each project;
(3) The date work on each project began or is expected to begin;
(4) The date work on each project was completed or is expected to be completed; and
(5) The actual cost of each project.

The quarterly reports shall also show those projects advanced in schedule, those projects delayed in schedule, and an estimate of the amount of funds expected to revert to the General Fund.

(d) The Office of State Budget and Management shall use up to three million five hundred thousand dollars ($3,500,000) from the Reserve for Repairs and Renovations as a State match for federal funds if such federal funds are made available prior to November 1, 1992 for the Morehead City Harbor Deepening Project. If federal funds are not available for this purpose prior to November 1, 1992, then the Office of State Budget and Management may use funds from reversions in the 1992-93 fiscal year.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter

FUNDS FOR STATE PARKS LAND ACQUISITION

Sec. 56. (a) The proceeds from the grant of the easement authorized by G.S. 143-260.10E(a), as enacted by Chapter 907 of the 1991 Session Laws, are appropriated from the General Fund to the Department of Environment, Health, and Natural Resources for the 1992-93 fiscal year for the Division of Parks and Recreation for land acquisition in State parks.

(b) Prior to expending or obligating any of the funds allocated by this section, the Department shall report to the Joint Legislative Commission on Governmental Operations and to the Office of State Budget and Management on the proposed use of the funds.

Requested by: Senator Basnight, Representatives Ethridge, H. Hunter

AGRICULTURE COST SHARE PROGRAM

Sec. 57. Section 165 of Chapter 689 of the 1991 Session Laws reads as rewritten:

"Sec. 165. Of the funds appropriated in this Title to the Department of Environment, Health, and Natural Resources for the Agriculture Cost Share Program for Nonpoint Source Pollution

Control, a sum not to exceed ~~$40,000~~ forty thousand dollars ($40,000) for the 1991-92 fiscal year ~~and a sum not to exceed $40,000 for the 1992-93 fiscal year~~ shall be used to fund tide gates in Hyde County in accordance with the match requirements specified in ~~G.S. 143-215.74(b)(6).~~ G.S. 143-215.74(b)(6), and a sum not to exceed forty thousand dollars ($40,000) for the 1992-93 fiscal year shall be used for water control structures in the counties bordering the Alligator River, under the Rural Clean Water Demonstration Program, and in accordance with the match requirements specified in G.S. 143-215.74(b)(6)."

Requested by: Senator Conder, Representatives Ethridge, H. Hunter
GOVERNOR'S WASTE MANAGEMENT BOARD/TECHNICAL ASSISTANCE GRANTS

Sec. 58. Notwithstanding the limitations of G.S. 104G-19(d), funds appropriated in Section 4.1 of this act may be used to provide technical assistance grants in the amount of one hundred thousand dollars ($100,000) each to Richmond, Chatham, and Wake Counties for their site designation review committee.

Requested by: Senator Martin of Pitt, Representatives Ethridge, H. Hunter
ON-SITE WASTEWATER SYSTEMS

Sec. 59. (a) Article 11 of Chapter 130A of the General Statutes is amended by adding a new section to read:

"*§ 130A-344. North Carolina On-Site Wastewater Systems Institute.*

(a) The North Carolina On-Site Wastewater Systems Institute is created. The Department shall provide staff for the Institute. The Institute shall gather information, study problems, and prepare reports on sanitary sewage systems.

(b) The North Carolina On-Site Wastewater Systems Institute shall have a Board of Directors consisting of 11 members. The members shall serve on a voluntary basis at no cost to the State. The members shall be appointed as follows:

(1) One member from the On-Site Sewage Program of the Department, appointed by the Governor.

(2) One member who is a local health director, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(3) One member who is an environmental health supervisor from a local health department, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(4) One member who is an environmental health specialist, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(5) Four members who are in the sanitary sewage system business, one of whom is a manufacturer, one of whom is a supplier, one of whom is a pumper or installer, and one of whom is an operator, appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate.

(6) One member who is actively involved with residential development in North Carolina or has extensive experience in the field of residential development, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(7) One member from the public at large, appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(8) The President or Executive Director of the North Carolina Septic Tank Association, Inc., appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate.

(c) Legislative appointments shall be made in accordance with G.S. 120-121. A vacancy in a legislative appointment shall be filled in accordance with G.S. 120-122.

(d) Each member shall serve for a two-year term that begins on July 1 of an odd-numbered year and ends on June 30 of the next odd-numbered year. Appointments to fill vacancies in the membership of the Board that occur due to resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term and shall be made by the same appointing authority that made the initial appointment.

(e) The member from the North Carolina Septic Tank Association, Inc., shall serve as Chair of the Board for the first two years after the Board is created. Thereafter, the Board shall elect a Chair annually at its first meeting of the year.

(f) The Board shall hold at least one meeting each year to conduct its business. Subsequent meetings shall be at the call of the Chair or a majority of the Board members. A majority of the members is a quorum."

(b) Notwithstanding G.S. 130A-344(d), as enacted by this section, the terms of the initial appointees to the North Carolina On-Site Wastewater Systems Institute end June 30, 1995.

(c) Of the funds appropriated by this act to the Department of Environment, Health, and Natural Resources for the 1992-93 fiscal year the sum of twenty-five thousand dollars ($25,000) shall be used by the Department to contract with a regionally or nationally recognized consulting firm to conduct a comprehensive study of appropriate wastewater and sewage disposal technologies that could be used in soils unsuitable for a conventional septic tank in areas of North Carolina that have a high water table. In selecting a consulting firm to conduct the study, the Department shall consult with the North Carolina On-Site Wastewater Systems Institute. The contract with the consulting firm shall require the consulting firm to complete the study and submit a report to the Department and to the North Carolina On-Site Wastewater Systems Institute by June 30, 1993.

(d) Of the funds appropriated by this act to the Department of Environment, Health, and Natural Resources for the 1992-93 fiscal year, the sum of twenty-five thousand dollars ($25,000) shall be used to support county alternative on-site sewage system demonstration projects in Eastern North Carolina established prior to 1990. Such projects shall have a technical advisory committee and shall develop and monitor innovative and alternative on-site sewage treatment systems and proper management operating schemes.

Requested by: Senator Martin of Pitt, Representatiaves Ethridge, H. Hunter

PARKS CAPITAL IMPROVEMENTS

Sec. 60. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the 1992-93 fiscal year, the sum of five hundred thousand dollars ($500,000) shall be used for the repair and maintenance of State parks.

(b) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the 1992-93 fiscal year, the sum of five hundred thousand dollars ($500,000) shall be used to acquire critical parcels of inholdings and corridor linkages for inclusion in the State parks system.

(c) Prior to expending or obligating any of the funds allocated by this section, the Department shall report to the Joint Legislative Commission on Governmental Operations and to the Office of State Budget and Management on the proposed use of the funds.

Requested by: Senator Martin of Pitt, Representative Redwine

STUDY ACQUISITION OF BIRD ISLAND

Sec. 61. (a) The Department of Environment, Health, and Natural Resources shall study the feasibility and appropriateness of the

State acquiring Run Hill at Nags Head Woods for the purpose of conservation. The Department shall also study the feasibility and appropriateness of the State acquiring Bird Island in Brunswick County for the purpose of conservation. The study shall be separate and apart from the consideration of any permit applications or the issuance of any permits for Bird Island pursuant to the Coastal Area Management Act of 1974, Article 7 of Chapter 113A of the General Statutes. The issuance of these permits shall not depend upon or be contingent upon the completion or results of this study.

(b) No later than May 31, 1993, the Department shall report its findings and recommendations pertaining to this study to the 1993 General Assembly.

(c) This section becomes effective November 15, 1992.

Requested by: Senator Martin of Pitt, Representative Ethridge
MARINE FISHERIES USE OF LAND PROCEEDS

Sec. 65. Any net proceeds, as defined in G.S. 146-30, received from the sale of approximately 6.12 acres of State land located on Bogue Sound in Carteret County, this being the property described in the deed dated February 12, 1982, and recorded in Deed Book 464, page 86, Carteret County Registry, shall be allocated to the Department of Environment, Health, and Natural Resources, Division of Marine Fisheries, for the 1992-93 fiscal year to be used:

(1) To acquire real property for oyster shell stockpiling and dockage during hurricanes,
(2) To renovate or replace the unsafe pier at the Division's Morehead City office, as needed, and
(3) To replace the Carolina Coast Research Vessel,

to ensure the continuation of the Division's shellfish rehabilitation and artificial reef programs and the biological sampling programs.

Requested by: Senator Plexico, Representative Ramsey
CERTAIN REIMBURSEMENTS FROM WILDLIFE RESOURCES COMMISSION FUNDS

Sec. 66. G.S. 113-77.9 is amended by adding a new subsection to read:

"(d1) In any county in which real property was purchased pursuant to subsection (d) of this section as additions to the fish and wildlife management areas and where less than twenty-five percent (25%) of the land area is privately owned at the time of purchase, that county and any other local taxing unit shall be annually reimbursed, for a period of 20 years, from funds available to the North Carolina Wildlife Resources Commission in an amount equal to the amount of

ad valorem taxes that would have been paid to the taxing unit if the property had remained subject to taxation."

Requested by: Senator Martin of Pitt, Representatives Jack Hunt, Ethridge, DeVane

POSITIONS TO MONITOR CONTAMINATED SOIL SITES

Sec. 67. There is appropriated from the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund to the Department of Environment, Health, and Natural Resources the sum of seventy-five thousand dollars ($75,000) for the 1992-93 fiscal year. There is appropriated from the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund to the Department of Environment, Health, and Natural Resources the sum of seventy-five thousand dollars ($75,000) for the 1992-93 fiscal year. These appropriations shall be used to establish and support four positions to inspect and monitor petroleum contaminated soil landfarming sites and enforce rules applicable to these sites.

Requested by: Senator Martin of Pitt, Representatives DeVane, Hasty

ENVIRONMENTAL IMPACT FUNDS

Sec. 68. Of the funds appropriated to the Office of State Budget and Management for the 1992-93 fiscal year, the sum of two hundred fifty thousand dollars ($250,000) shall be allocated to the Laurinburg-Maxton Airport Commission for preliminary engineering studies and an environmental impact statement to determine the impact of the expansion of the Laurinburg-Maxton Airport Commission industrial park on the environment and on the Lumber River State Park.

Requested by: Senator Martin of Pitt, Representatives Redwine, H. Hunter, DeVane

BEAVER DAMAGE CONTROL PILOT PROGRAM AND STATEWIDE PROGRAM

Sec. 69. (a) There is established the Beaver Damage Control Advisory Board. The Board shall consist of nine members, as follows:

(1) The Executive Director of the North Carolina Wildlife Resources Commission, or his designee, who shall serve as chair;
(2) The Commissioner of Agriculture, or a designee;
(3) The Director of the Division of Forest Resources of the Department of Environment, Health, and Natural Resources, or a designee;

(4) The Director of the Soil and Water Conservation Division of the Department of Environment, Health, and Natural Resources, or a designee;
(5) The Director of the North Carolina Cooperative Extension Service, or a designee;
(6) The Secretary of Transportation, or a designee;
(7) The State Director of the Animal Damage Control Division of the Animal and Plant Health Inspection Service, U.S. Department of Agriculture, or a designee;
(8) The President of the North Carolina Farm Bureau Federation, Inc., or a designee, representing private landowners in the participating counties; and
(9) A representative of the North Carolina Forestry Association.

(b) The Beaver Damage Control Advisory Board shall develop a pilot program to control beaver damage on private and public lands. Bladen, Brunswick, Columbus, and Sampson Counties shall participate in the pilot program. The Beaver Damage Control Advisory Board shall act in an advisory capacity to the Wildlife Resources Commission in the implementation of the program. In developing the program, the Board shall:

(1) Orient the program primarily toward public health and safety and toward landowner assistance, providing some relief to landowners through beaver control and management rather than eradication;
(2) Develop a priority system for responding to complaints about beaver damage;
(3) Develop a system for documenting all activities associated with beaver damage control, so as to facilitate evaluation of the program;
(4) Provide educational activities as a part of the program, such as printed materials, on-site instructions, and local workshops;
(5) Provide for the hiring of personnel necessary to implement beaver damage control activities, administer the pilot program, and set salaries of personnel;
(6) Evaluate the costs and benefits of the program that might be applicable elsewhere in North Carolina.

Upon the conclusion of the pilot program on December 1, 1993, the Board shall issue a report to the Wildlife Resources Commission on the results of the program, including recommendations on the feasibility of continuing the program in participating counties and the desirability of expanding the program into other counties.

(c) The Wildlife Resources Commission shall implement the pilot program, and may enter a cooperative agreement with the Animal

Damage Control Division of the Animal and Plant Health Inspection Service, United States Department of Agriculture, to accomplish the pilot program.

(d) Notwithstanding G.S. 113-291.6(d) or any other law, it is lawful to use snares when trapping beaver pursuant to the beaver damage control program developed pursuant to this section. The provisions of Chapter 218 of the 1975 Session Laws; Chapter 492 of the 1951 Session Laws, as amended by Chapter 506 of the 1955 Session Laws; and Chapter 1011 of the 1983 Session Laws do not apply to trapping carried out in implementing the beaver damage control program developed pursuant to this section.

(e) Of the funds appropriated to the Department of Environment, Health, and Natural Resources for the Wildlife Resources Commission for the 1992-93 fiscal year, the sum of one hundred thousand dollars ($100,000) shall be used to implement a beaver damage control pilot program and a one-time statewide program. These funds shall be allocated as follows:

(1) Fifty thousand dollars ($50,000) to provide the State share to implement the pilot program in Bladen, Brunswick, Columbus, and Sampson Counties, provided the sum of twenty-five thousand dollars ($25,000) in federal funds are available to provide the federal share; and

(2) Fifty thousand dollars ($50,000) to be used statewide to control beaver damage.

(f) The funds allocated in subdivision (e)(1) of this section shall be matched by four thousand dollars ($4,000) of local funds from each of the four participating counties.

(g) The Executive Director of the Wildlife Resources Commission shall determine what constitutes the most appropriate use of the funds allocated in subdivision (e)(2) of this section in order to alleviate the most severe beaver damage problems statewide and to identify the extent of beaver damage problems statewide.

(h) Subsections (a) through (d) of this section expire December 1, 1993.

PART 17. MISCELLANEOUS PROVISIONS

Requested by: Senators Basnight, Plyler

RESERVE FOR ADVANCE PLANNING

Sec. 70. The Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division on how it intends to spend funds from the Reserve for Advance Planning at least 45 days before it spends the funds.

The Office of State Budget and Management shall also report the results of any project on which it uses funds from the Reserve for Advance Planning to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division.

Requested by: Senators Basnight, Plyler
ENCUMBERED APPROPRIATIONS AND PROJECT RESERVE FUND

Sec. 71. When each capital improvement project appropriated by the 1992 General Assembly, other than those projects under the Board of Governors of The University of North Carolina, is placed under construction contract, direct appropriations shall be encumbered to include all costs for construction, design, investigation, administration, movable equipment, and a reasonable contingency. Unencumbered direct appropriations remaining in the project budget shall be placed in a project reserve fund credited to the Office of State Budget and Management. Funds in the project reserve may be used for emergency repair and renovation projects at State facilities with the approval of the Director of the Budget. The project reserve fund may be used, at the discretion of the Director of the Budget, to allow for award of contracts where bids exceed appropriated funds, if those projects supplemented were designed within the scope intended by the applicable appropriation or any authorized change in it, and if, in the opinion of the Director of the Budget, all means to award contracts within the appropriation were reasonably attempted. At the discretion of the Director of the Budget, any balances in the project reserve fund shall revert to the original source.

Requested by: Senators Basnight, Plyler
PROJECT COST INCREASE

Sec. 72. Upon the request of the administration of a State department or institution, the Director of the Budget may, when in his opinion it is in the best interest of the State to do so, increase the cost of a capital improvement project. Provided, however, that if the Director of the Budget increases the cost of a project, he shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting. The increase may be funded from gifts, federal or private grants, special fund receipts, excess patient receipts above those budgeted at University of North Carolina Hospitals at Chapel Hill, or direct capital improvement appropriations to that department or institution.

Requested by: Senators Basnight, Plyler
NEW PROJECT AUTHORIZATION

Sec. 73. Upon the request of the administration of any State department or institution, the Governor may authorize the construction of a capital improvement project not specifically authorized by the General Assembly if such project is to be funded by gifts, federal or private grants, special fund receipts, excess patient receipts above those budgeted at University of North Carolina Hospitals at Chapel Hill, or self-liquidating indebtedness. Provided, however, that if the Director of the Budget authorizes the construction of such a capital improvement project, he shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

Requested by: Senators Basnight, Plyler
ADVANCE PLANNING OF CAPITAL IMPROVEMENT PROJECTS

Sec. 74. Funds which become available by gifts, excess patient receipts above those budgeted at University of North Carolina Hospitals at Chapel Hill, federal or private grants, receipts becoming a part of special funds by act of the General Assembly or any other funds available to a State department or institution may be utilized for advance planning through the working drawing phase of capital improvement projects, upon approval of the Director of the Budget. The Director of the Budget may make allocations from the Advance Planning Fund for advance planning through the working drawing phase of capital improvement projects, except that this revolving fund may not be utilized by the Board of Governors of The University of North Carolina or the State Board of Community Colleges.

Requested by: Senators Basnight, Plyler
APPROPRIATIONS LIMITS/REVERSION OR LAPSE

Sec. 75. Except as permitted in previous sections of this act, the appropriations for capital improvements made by the 1991 General Assembly may be expended only for specific projects set out by the 1991 General Assembly and for no other purpose. Construction of all capital improvement projects enumerated by the 1992 General Assembly shall be commenced, or self-liquidating indebtedness with respect to them shall be incurred, within 12 months following the first day of the fiscal year in which the funds are available. If construction contracts on those projects have not been awarded or self-liquidating indebtedness has not been incurred within that period, the direct appropriation for those projects shall revert to the original source, and the self-liquidating appropriation shall lapse: except that direct appropriations may be placed in a reserve fund as authorized in this act. This deadline with respect to both direct and self-liquidating appropriations may be extended with the approval of the Director of

the Budget up to an additional 12 months if circumstances and conditions warrant such extension.

Requested by: Senators Basnight, Plyler
1991-92 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY

Sec. 76. (a) Except where expressly repealed or amended by this act, the provisions of Chapters 689, 742, 760, 761, and 900 of the 1991 Session Laws remain in effect.

(b) Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 1992-93 fiscal year in Chapters 689, 742, 760, 761, and 900 of the 1991 Session Laws that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations and budget reductions of this act for those same particular purposes.

Requested by: Senators Basnight, Plyler
EFFECTIVE DATE

Sec. 77. This act becomes effective July 1, 1992.

In the General Assembly read three times and ratified this the 25th day of July, 1992.

RESOLUTIONS

H.J.R. 1319 **RESOLUTION 31**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO PROVIDE A PROCEDURE FOR AN UNAFFILIATED CANDIDATE FOR PRESIDENT WHO HAS QUALIFIED FOR BALLOT ACCESS TO NAME CANDIDATES FOR ELECTOR AND FOR VICE-PRESIDENT.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE A PROCEDURE FOR AN UNAFFILIATED CANDIDATE FOR PRESIDENT WHO HAS QUALIFIED FOR BALLOT ACCESS TO NAME CANDIDATES FOR ELECTOR AND FOR VICE-PRESIDENT."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of June, 1992.

S.J.R. 1034 **RESOLUTION 32**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO RATIFY, APPROVE, CONFIRM, AND VALIDATE ALL PROCEEDINGS TAKEN IN 1991 BY THE GOVERNING BOARD OF ANY UNIT OF LOCAL GOVERNMENT IN CONNECTION WITH THE EXTENSION OF THE PERIOD DURING WHICH BONDS MAY BE ISSUED.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO RATIFY, APPROVE, CONFIRM, AND VALIDATE ALL PROCEEDINGS TAKEN IN 1991 BY THE GOVERNING BOARD OF ANY UNIT OF LOCAL GOVERNMENT IN CONNECTION WITH THE EXTENSION OF THE PERIOD DURING WHICH BONDS MAY BE ISSUED."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1992.

S.J.R. 1084 **RESOLUTION 33**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO CLARIFY THAT LOCAL GOVERNMENTAL ENTITIES ARE ELIGIBLE TO RECEIVE GRANT FUNDS FOR DOMESTIC VIOLENCE CENTERS.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO CLARIFY THAT LOCAL GOVERNMENTAL ENTITIES ARE ELIGIBLE TO RECEIVE GRANT FUNDS FOR DOMESTIC VIOLENCE CENTERS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1992.

H.J.R. 1331 **RESOLUTION 34**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO ADOPT FOLKMOOT USA AS NORTH CAROLINA'S OFFICIAL INTERNATIONAL FOLK FESTIVAL.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO ADOPT FOLKMOOT USA AS NORTH CAROLINA'S OFFICIAL INTERNATIONAL FOLK FESTIVAL."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1992.

H.J.R. 1438 **RESOLUTION 35**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO MAKE VARIOUS TECHNICAL AMENDMENTS TO THE GENERAL STATUTES AS

RECOMMENDED BY THE GENERAL STATUTES COMMISSION.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider: "A BILL TO BE ENTITLED AN ACT TO MAKE VARIOUS TECHNICAL AMENDMENTS TO THE GENERAL STATUTES AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1992.

H.J.R. 1450 **RESOLUTION 36**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO ABOLISH THE NORTH CAROLINA COUNCIL ON INTERSTATE COOPERATION, WHICH HAS NOT MET SINCE 1979.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO ABOLISH THE NORTH CAROLINA COUNCIL ON INTERSTATE COOPERATION, WHICH HAS NOT MET SINCE 1979."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 15th day of June, 1992.

H.J.R. 1379 **RESOLUTION 37**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO CLARIFY THAT SPECIAL LIBRARY REGISTRATION DEPUTIES NEED NOT RESIDE IN THE COUNTY WHERE THEY REGISTER VOTERS.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO CLARIFY THAT SPECIAL LIBRARY REGISTRATION DEPUTIES NEED NOT RESIDE IN THE COUNTY WHERE THEY REGISTER VOTERS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1434 **RESOLUTION 38**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING THE MEMORY OF GENERAL BENJAMIN SMITH ON THE BICENTENNIAL OF THE CITY OF SOUTHPORT.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING THE MEMORY OF GENERAL BENJAMIN SMITH ON THE BICENTENNIAL OF THE CITY OF SOUTHPORT."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1508 **RESOLUTION 39**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, REGULAR SESSION 1992, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO AMEND CHAPTER 501 OF THE 1989 SESSION LAWS REGARDING A WHOLLY SELF-LIQUIDATING CAPITAL PROJECT AT THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO AMEND CHAPTER 501 OF THE 1989 SESSION LAWS REGARDING A WHOLLY SELF-LIQUIDATING CAPITAL PROJECT AT THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1509 **RESOLUTION 40**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, REGULAR SESSION 1992, TO CONSIDER A

BILL TO BE ENTITLED AN ACT TO AMEND CHAPTER 1092 OF THE 1987 SESSION LAWS, REGULAR SESSION 1988, REGARDING A WHOLLY SELF-LIQUIDATING PROJECT AT ELIZABETH CITY STATE UNIVERSITY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO AMEND CHAPTER 1092 OF THE 1987 SESSION LAWS, REGULAR SESSION 1988, REGARDING A WHOLLY SELF-LIQUIDATING PROJECT AT ELIZABETH CITY STATE UNIVERSITY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1510 **RESOLUTION 41**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, REGULAR SESSION 1992, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS ON THE CENTENNIAL CAMPUS OF NORTH CAROLINA STATE UNIVERSITY AT RALEIGH.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS ON THE CENTENNIAL CAMPUS OF NORTH CAROLINA STATE UNIVERSITY AT RALEIGH."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1511 **RESOLUTION 42**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, REGULAR SESSION 1992, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT

APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1574 **RESOLUTION 43**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF CARSON GREGORY, FORMER MEMBER OF THE GENERAL ASSEMBLY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF CARSON GREGORY, FORMER MEMBER OF THE GENERAL ASSEMBLY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1618 **RESOLUTION 44**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO VALIDATE THE REGISTRATION OF INSTRUMENTS SIGNED IN THE NAME OF THE REGISTER OF DEEDS BY THE REGISTER'S ASSISTANT OR DEPUTY AND INITIALED BY THE ASSISTANT OR DEPUTY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO VALIDATE THE REGISTRATION OF INSTRUMENTS SIGNED IN THE NAME OF THE REGISTER OF DEEDS BY THE REGISTER'S ASSISTANT OR DEPUTY AND INITIALED BY THE ASSISTANT OR DEPUTY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1619 **RESOLUTION 45**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO ALLOW CERTAIN ADVERTISING SIGNS ALONG THE RIGHT-OF-WAY OF STATE HIGHWAYS.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO ALLOW CERTAIN ADVERTISING SIGNS ALONG THE RIGHT-OF-WAY OF STATE HIGHWAYS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

H.J.R. 1652 **RESOLUTION 46**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING THE FOUNDERS OF SAINT AUGUSTINE'S COLLEGE AND URGING THE GOVERNOR TO ISSUE A PROCLAMATION RECOGNIZING THE COLLEGE'S ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING THE FOUNDERS OF SAINT AUGUSTINE'S COLLEGE AND URGING THE GOVERNOR TO ISSUE A PROCLAMATION RECOGNIZING THE COLLEGE'S ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 19th day of June, 1992.

S.J.R 990 **RESOLUTION 47**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO EXTEND THE GRANDFATHER CLAUSE APPLICATION DEADLINE TO OCTOBER 31, 1992.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO EXTEND THE GRANDFATHER CLAUSE APPLICATION DEADLINE TO OCTOBER 31, 1992."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1992.

H.J.R. 1659 **RESOLUTION 48**

A JOINT RESOLUTION HONORING THE FOUNDERS OF SAINT AUGUSTINE'S COLLEGE AND URGING THE GOVERNOR TO ISSUE A PROCLAMATION RECOGNIZING THE COLLEGE'S ONE HUNDRED AND TWENTY-FIFTH ANNIVERSARY.

Whereas, Saint Augustine's College was chartered on July 19, 1867, by 11 prominent Episcopal clergy and laymen under the name Saint Augustine's Normal School and Collegiate Institute; and

Whereas, Saint Augustine's College is indebted to its past Principals and Presidents: J. Brinton Smith; John Esten Cooks Smedes; Robert Bean Sutton; Aaron Burtis Hunter; Edgar Henry Goold; Harold L. Trigg; and James E. Boyer for their leadership and vision; and

Whereas, Saint Augustine's College has dedicated itself to the intellectual, moral, and cultural development of the young men and women enrolled on its campus; and

Whereas, in 1896, Saint Augustine's College readily accepted the challenge to educate young people in health-related careers when it established St. Agnes Hospital and Training School for Nurses, which for many years was the only hospital for blacks and the only teaching hospital for black nurses in North Carolina; and

Whereas, from that beginning the school has developed into a world-class institution with an enrollment of 1,905 students; and

Whereas, through its 38 outstanding academic disciplines and course offerings, the College has rendered service to the State and the nation for 125 years, and is regarded by educators as one of the country's top historically black colleges and universities; and

Whereas, the graduates and former students of Saint Augustine's College continue to achieve national and international prominence in a number of career fields; and

Whereas, throughout its history, Saint Augustine's College has had an enormous impact on the city and State that are its home; and

Whereas, Saint Augustine's College for 125 years has held steadily to the ideals of academic integrity and religious influence cherished by its founders, trustees, faculty, staff, alumnae, and students; and

Whereas, Saint Augustine's College is laying the groundwork for continued excellence in the 21st Century, through a major $17 million capital campaign known as the Renaissance Fund Campaign;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly recognizes and honors the founders of Saint Augustine's College for their vision, commends the College for its contributions to North Carolina and its people, extends congratulations on the occasion of the institution's one hundred and twenty-fifth anniversary, and eagerly anticipates a second one hundred and twenty-five years of service by the College on behalf of the people of North Carolina and the nation.

Sec. 2. In order to recognize further the one hundred and twenty-fifth anniversary of Saint Augustine' College, the General Assembly urges the Governor to issue a proclamation commemorating the founding of Saint Augustine's College on July 19, 1867.

Sec. 3. The Secretary of State shall send a certified copy of this resolution to Dr. Prezell R. Robinson, a Saint Augustine's College alumnus and the eighth President of Saint Augustine's College, who has rendered 25 years of distinguished service, and to Governor James G. Martin.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of June, 1992.

H.J.R. 1651 **RESOLUTION 49**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF ALGERNON AUGUSTUS ZOLLICOFFER, JR., DISTINGUISHED CITIZEN OF NORTH CAROLINA AND FORMER STATE REPRESENTATIVE.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF ALGERNON AUGUSTUS ZOLLICOFFER, JR., DISTINGUISHED CITIZEN OF NORTH CAROLINA AND FORMER STATE REPRESENTATIVE."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 25th day of June, 1992.

S.J.R. 1194 **RESOLUTION 50**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO MODIFY THE PROCEDURE FOR PROPERTY TAX APPEALS BEFORE THE PROPERTY TAX COMMISSION FROM APPRAISAL AND LISTING DECISIONS AND TO LEVY A FEE FOR FILING AN APPEAL TO THE PROPERTY TAX COMMISSION.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO MODIFY THE PROCEDURE FOR PROPERTY TAX APPEALS BEFORE THE PROPERTY TAX COMMISSION FROM APPRAISAL AND LISTING DECISIONS AND TO LEVY A FEE FOR FILING AN APPEAL TO THE PROPERTY TAX COMMISSION."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

S.J.R. 1209 **RESOLUTION 51**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE

ENTITLED AN ACT TO REMOVE THE REQUIREMENT THAT A PERSON BE A RESIDENT OF THE STATE IN ORDER TO OBTAIN A HUNTING AND FISHING GUIDE LICENSE.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO REMOVE THE REQUIREMENT THAT A PERSON BE A RESIDENT OF THE STATE IN ORDER TO OBTAIN A HUNTING AND FISHING GUIDE LICENSE."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

S.J.R. 1258 **RESOLUTION 52**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR A MAINTENANCE OF FUNDS APPROPRIATED BY THE BOARD OF COUNTY COMMISSIONERS TO THE LOCAL CURRENT EXPENSE FUND OF LOCAL SCHOOL ADMINISTRATIVE UNITS IN FISCAL YEAR 1992-93 BEFORE MERGER BECOMES EFFECTIVE ON JULY 1, 1993, IF THE MERGER DID NOT REQUIRE APPROVAL OF THE BOARD OF COUNTY COMMISSIONERS.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR A MAINTENANCE OF FUNDS APPROPRIATED BY THE BOARD OF COUNTY COMMISSIONERS TO THE LOCAL CURRENT EXPENSE FUND OF LOCAL SCHOOL ADMINISTRATIVE UNITS IN FISCAL YEAR 1992-93 BEFORE MERGER BECOMES EFFECTIVE ON JULY 1, 1993, IF THE MERGER DID NOT REQUIRE APPROVAL OF THE BOARD OF COUNTY COMMISSIONERS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

H.J.R. 1660 **RESOLUTION 53**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF CARSON GREGORY, FORMER MEMBER OF THE GENERAL ASSEMBLY.

Whereas, Carson Gregory was born on Route 2 in Angier, North Carolina, on August 11, 1911, to Alex and Carra Parrish Gregory; and

Whereas, Carson Gregory was educated in the Harnett County schools and attended Campbell College; and

Whereas, Carson Gregory was a farmer and businessman; and

Whereas, Carson Gregory served with honor and distinction in the North Carolina House of Representatives for 10 terms, during the 1951 through the 1965 Sessions and the 1975 through the 1977 Sessions; and

Whereas, Carson Gregory served as president of the Good Hope Hospital Board of Directors and as president of the North Carolina Spotted Swine Association and the Harnett County Farm Bureau; and

Whereas, Carson Gregory was a member of the board of directors of First Citizens Bank, the National Spotted Swine Association, Terri Hill Manufacturing, and the North Carolina Pork Producers; and

Whereas, Carson Gregory was a member of the Erwin Chamber of Commerce and a charter member of the Coats Chamber of Commerce and the Coats Lions Club; and

Whereas, Carson Gregory was a friend to the disabled, serving on the Board of Directors of the Harnett County Association for Mentally Retarded Children and the Harnett County Sheltered Workshop; and

Whereas, Carson Gregory was a member of several fraternal organizations, including the Masons, the Shriners, the Dunn-Erwin Woodmen of the World, and the Coats Hunting and Fishing Club; and

Whereas, Carson Gregory was active in the Coats First Baptist Church, serving on the finance committee; and

Whereas, Carson Gregory died on February 24, 1991; and

Whereas, Carson Gregory is survived by his wife, Blanche Williams Gregory, and his children, Joe Gregory and Frances G. Avery; and

Whereas, Carson Gregory will be remembered by all who knew him as a man devoted to his family, to his community, and to public service;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly expresses its appreciation for the life and public service of Carson Gregory and honors his memory.

Sec. 2. The General Assembly extends its deepest sympathy to the family and friends of Carson Gregory for the loss of a beloved husband, father, and friend.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Carson Gregory.

Sec. 4. This resolution is effective upon ratification.

S.J.R. 1107 **RESOLUTION 54**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO AMEND THE DEFINITION OF INVENTORIES IN THE MACHINERY ACT TO INCLUDE CERTAIN COMPUTER SOFTWARE.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO AMEND THE DEFINITION OF INVENTORIES IN THE MACHINERY ACT TO INCLUDE CERTAIN COMPUTER SOFTWARE."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 30th day of June, 1992.

S.J.R. 1068 **RESOLUTION 55**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF GIFFORD PINCHOT AND COMMEMORATING THE ONE HUNDREDTH ANNIVERSARY OF FORESTRY IN NORTH CAROLINA AND IN THE UNITED STATES.

Whereas, Gifford Pinchot was born on 11 August 1865 in Simsbury, Connecticut; and

Whereas, Gifford Pinchot was graduated from Yale University in 1889, and studied at the National Forestry School in Nancy, France, with additional studies in Switzerland, Germany, and Austria; and

Whereas, upon his return to the United States in 1892, Gifford Pinchot began the first systematic forestry work in the United States at Biltmore, the estate of George W. Vanderbilt in North Carolina; and

Whereas, in 1896 Gifford Pinchot was made a member of the National Forest Commission of the National Academy of Sciences, which worked out the plan of forest reserves in the United States; and

Whereas, in 1897 Gifford Pinchot became the confidential forest agent to the Secretary of the Interior of the United States; and

Whereas, in 1898 Gifford Pinchot was named chief of the Division of Forestry, which in 1905 became the United States Forest Service of the United States Department of Agriculture; and

Whereas, Gifford Pinchot remained chief of the United States Forest Service until 1910, during which time the entire forest service system and its administration was established and placed on a firm footing; and

Whereas, during that time Gifford Pinchot also served as a member of the Public Lands Commission, which he initiated, and the Inland Waterways Commission; and

Whereas, Gifford Pinchot, through his distinguished government service, his enthusiasm, and his promotional work, firmly established the practice of forestry on a scientific and professional basis in the United States, and did much to advance the conservation movement in general; and

Whereas, Gifford Pinchot continued in a long and distinguished career of public service until his death in 1946; and

Whereas, Gifford Pinchot, by virtue of his employment at Biltmore in North Carolina, was the first practicing forester in the United States, and the birthplace of forestry in the United States is thus in the mountains of North Carolina; and

Whereas, in the one hundred years since 1892, forestry has risen to great importance in North Carolina; and

Whereas, North Carolina contains more than 18.7 million acres of commercial forestland valued at more than $11,000,000,000 and which, through forest-related industries, provide jobs for more than 150,000 North Carolinians; and

Whereas, the annual value of timber harvested from our woodlands and delivered for processing exceeds $480,000,000 and the annual shipments of lumber, furniture, paper, and other forest-based products exceeds $12,000,000,000, making forestry and forest-based industry the second largest industry in the State; and

Whereas, the practice of forestry as promoted by Gifford Pinchot and those who have followed in his footsteps protects, preserves, and promotes not only forests but water quality, recreation, wildlife, fertile soils, and aesthetics; and

Whereas, the values inherent in sound forest practices are realized not only in economic terms but in the preservation of the

priceless natural resources which are both our common heritage and our legacy to those who come after us; Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina wishes to honor the life and memory of Gifford Pinchot.

Sec. 2. The General Assembly of North Carolina declares the year 1992 to be the Centennial of Forestry in North Carolina and in the United States.

Sec. 3. The General Assembly of North Carolina urges the citizens of the State to commemorate the one hundredth anniversary of forestry by appropriate observances and to remember the importance of our forests to our economy and to our way of life.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.J.R. 1243 **RESOLUTION 56**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, REGULAR SESSION 1992, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO CLARIFY THE EXCLUSION OF NONPUBLIC SCHOOLS FROM THE DAY CARE LAW.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO CLARIFY THE EXCLUSION OF NONPUBLIC SCHOOLS FROM THE DAY CARE LAW."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.J.R. 1254 **RESOLUTION 57**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE NORTH CAROLINA STATE BOARD OF DENTAL EXAMINERS TO COLLECT A SPECIAL FEE FROM NORTH CAROLINA LICENSED DENTISTS, WITH THE RESULTING FUNDS TO BE USED TO PAY EXPENSES OF NEWLY AUTHORIZED

STATE-SANCTIONED PEER REVIEW ORGANIZATIONS TO OPERATE PROGRAMS FOR IMPAIRED DENTISTS.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE NORTH CAROLINA STATE BOARD OF DENTAL EXAMINERS TO COLLECT A SPECIAL FEE FROM NORTH CAROLINA LICENSED DENTISTS, WITH THE RESULTING FUNDS TO BE USED TO PAY EXPENSES OF NEWLY AUTHORIZED STATE-SANCTIONED PEER REVIEW ORGANIZATIONS TO OPERATE PROGRAMS FOR IMPAIRED DENTISTS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 1st day of July, 1992.

S.J.R. 1249 **RESOLUTION 58**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO AMEND THE METHOD OF SELECTING MEMBERS OF THE NORTH CAROLINA SHERIFFS' EDUCATION AND TRAINING STANDARDS COMMISSION APPOINTED BY THE NORTH CAROLINA SHERIFFS' ASSOCIATION.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO AMEND THE METHOD OF SELECTING MEMBERS OF THE NORTH CAROLINA SHERIFFS' EDUCATION AND TRAINING STANDARDS COMMISSION APPOINTED BY THE NORTH CAROLINA SHERIFFS' ASSOCIATION."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.J.R. 1604 **RESOLUTION 59**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION AUTHORIZING THE LEGISLATIVE RESEARCH COMMISSION TO STUDY THE STATE OF

PREHOSPITAL EMERGENCY CARDIAC CARE IN NORTH CAROLINA.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION AUTHORIZING THE LEGISLATIVE RESEARCH COMMISSION TO STUDY THE STATE OF PREHOSPITAL EMERGENCY CARDIAC CARE IN NORTH CAROLINA."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.J.R. 1648 **RESOLUTION 60**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT THE VETERANS' AFFAIRS COMMISSION SHALL ISSUE RULES FOR THE AWARDING OF THE NORTH CAROLINA SERVICES MEDAL TO VETERANS WHO HAVE SERVED IN ANY WAR.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT THE VETERANS' AFFAIRS COMMISSION SHALL ISSUE RULES FOR THE AWARDING OF THE NORTH CAROLINA SERVICES MEDAL TO VETERANS WHO HAVE SERVED IN ANY WAR."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.J.R. 1653 **RESOLUTION 61**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO PROVIDE FOR ENFORCEMENT FOR PARKING VIOLATIONS ON PUBLICLY OWNED PARKING LOTS IN FAYETTEVILLE.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE

FOR ENFORCEMENT FOR PARKING VIOLATIONS ON PUBLICLY OWNED PARKING LOTS IN FAYETTEVILLE."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.J.R. 1654 **RESOLUTION 62**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF JAMES FORREST PENNY, JR., FORMER MEMBER OF THE NORTH CAROLINA HOUSE OF REPRESENTATIVES.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF JAMES FORREST PENNY, JR., FORMER MEMBER OF THE NORTH CAROLINA HOUSE OF REPRESENTATIVES."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.J.R. 1664 **RESOLUTION 63**

A JOINT RESOLUTION HONORING THE MEMORY OF GENERAL BENJAMIN SMITH ON THE BICENTENNIAL OF THE CITY OF SOUTHPORT.

Whereas, General Benjamin Smith, who served under General George Washington during the Revolutionary War and who was elected Governor of North Carolina in 1811, was one of five commissioners charged by the General Assembly in 1792 to create a new town in the vicinity of Fort Johnson; and

Whereas, the new town established near Fort Johnson was named Smithville after General Benjamin Smith; and

Whereas, the town of Smithville offered early settlers traditional river type occupations, such as river pilot and fisherman; and

Whereas, the town of Smithville developed and prospered, and became the county seat in 1808, where it remained the county seat until the 1970s; and

Whereas, because of the lack of inland trade routes, the town of Smithville never became a major port, but the town became a fishing village and a popular summer resort; and

Whereas, after the Civil War, the town of Smithville began to grow and flourish; and

Whereas, in 1887, the name of the town was changed from Smithville to Southport, supposedly because it was the most southerly harbor in North Carolina; and

Whereas, over the years, the city of Southport has made great progress; and

Whereas, in 1992, the city of Southport is celebrating its bicentennial;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly honors the memory of General Benjamin Smith and recognizes him for his role in founding the city of Southport.

Sec. 2. The General Assembly extends its congratulations to the city of Southport on its bicentennial, and urges all North Carolinians to join the citizens of the city of Southport in celebrating its bicentennial.

Sec. 3. The Secretary of State shall send a certified copy of this resolution to the mayor of the city of Southport and to the chairman of the Brunswick County Board of Commissioners.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

H.J.R. 1671 **RESOLUTION 64**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF ALGERNON AUGUSTUS ZOLLICOFFER, JR., DISTINGUISHED CITIZEN OF NORTH CAROLINA AND FORMER STATE REPRESENTATIVE.

Whereas, Algernon Augustus Zollicoffer, Jr., son of the late Algernon Augustus and Fannie Spotswood Cooper Zollicoffer, was born on March 6, 1924, and was a native of Henderson, North Carolina; and

Whereas, Algernon Augustus Zollicoffer, Jr., was educated in the Henderson City Schools, at the McCallie School in Chattanooga, Tennessee, and the University of North Carolina at Chapel Hill, from

which he received a BA degree in Commerce in 1947 and a JD degree in 1950; and

Whereas, Algernon Augustus Zollicoffer, Jr., was a veteran of the United States Navy, serving as a lieutenant during World War II; and

Whereas, Algernon Augustus Zollicoffer, Jr., practiced law with the firm of Zollicoffer and Zollicoffer, a law firm established by his grandfather, Allison Caulaincourt Zollicoffer during the 1800s; and

Whereas, Algernon Augustus Zollicoffer, Jr., served as prosecuting attorney for the Vance County Recorder's Court from 1955 to 1956, chaired the Bar Candidate Committee for the Ninth Judicial District for several years, and was a member of the North Carolina Judicial Council and the North Carolina Courts Commission; and

Whereas, Algernon Augustus Zollicoffer, Jr., served the people of Vance County and the State of North Carolina as a member of the North Carolina House of Representatives for five terms after being elected in 1956, during which he served as Chairman of the House Appropriations Committee and as a member of the Advisory Budget Commission; and

Whereas, Algernon Augustus Zollicoffer, Jr., was active throughout his life on numerous boards and commissions, but took a special interest in serving on the Board of Trustees of the H. Leslie Perry Memorial Library, helping to improve it and getting it moved to its present location; and

Whereas, Algernon Augustus Zollicoffer, Jr., served as Director of Blue Cross Blue Shield and of Harriet and Henderson Yarns, Inc., and on the local board of North Carolina National Bank; and

Whereas, Algernon Augustus Zollicoffer, Jr., was an active leader in legal organizations, serving as president of the Vance County Bar Association, as a member of the Board of Governors of the North Carolina Bar Association, as Chairman of the Board of Legal Specialization of the North Carolina State Bar, and as a member of the American Bar Association; and

Whereas, Algernon Augustus Zollicoffer, Jr., was a member of the Vestry of The Holy Innocents Episcopal Church and served the church in many capacities; and

Whereas, Algernon Augustus Zollicoffer, Jr., died on October 2, 1991; and

Whereas, Algernon Augustus Zollicoffer, Jr., will be remembered by all who knew him as a man devoted to his family, his church, his profession, and to public service; and

Whereas, Algernon Augustus Zollicoffer, Jr., is survived by his wife, Jane Lewis Zollicoffer; a son, Allison Caulaincourt Zollicoffer,

II; and three daughters, Jane Crichton Zollicoffer, Fannie Cooper Zollicoffer; and Ellen Lewis Zollicoffer;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly expresses its deep appreciation for the life and the accomplishments of Algernon Augustus Zollicoffer, Jr., for the great service he rendered to the Nation, the State of North Carolina, Vance County, and the City of Henderson, and mourns the loss of one of North Carolina's truly distinguished citizens.

Sec. 2. The General Assembly extends its deepest sympathy to the family of Algernon Augustus Zollicoffer, Jr., for the loss of its distinguished member.

Sec. 3. The Secretary of State shall send a certified copy of this resolution to the family of Algernon Augustus Zollicoffer, Jr.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 2nd day of July, 1992.

S.J.R. 1253 **RESOLUTION 65**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO MODIFY THE ADMINISTRATIVE STRUCTURE OF THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO MODIFY THE ADMINISTRATIVE STRUCTURE OF THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 7th day of July, 1992.

S.J.R. 1051 **RESOLUTION 66**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING DUKE UNIVERSITY ON

WINNING ITS SECOND STRAIGHT NCAA DIVISION I MEN'S BASKETBALL CHAMPIONSHIP.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING DUKE UNIVERSITY ON WINNING ITS SECOND STRAIGHT NCAA DIVISION I MEN'S BASKETBALL CHAMPIONSHIP."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.J.R. 1244 **RESOLUTION 67**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO IMPOSE ADDITIONAL CIVIL PENALTIES FOR THE ILLEGAL MANUFACTURE AND SALE OF ALCOHOLIC BEVERAGES.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO IMPOSE ADDITIONAL CIVIL PENALTIES FOR THE ILLEGAL MANUFACTURE AND SALE OF ALCOHOLIC BEVERAGES."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 8th day of July, 1992.

S.J.R. 1251 **RESOLUTION 68**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT EXPERIENCED ELECTRICAL SUPERVISORS EMPLOYED IN THE MANUFACTURING INDUSTRY MAY DRAW INTERNAL ELECTRICAL WIRING PRINTS AND SUPERVISE INTERNAL ELECTRICAL WIRING WORK WITHOUT MEETING THE LICENSURE REQUIREMENTS FOR ENGINEERS AND LAND SURVEYORS.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE

THAT EXPERIENCED ELECTRICAL SUPERVISORS EMPLOYED IN THE MANUFACTURING INDUSTRY MAY DRAW INTERNAL ELECTRICAL WIRING PRINTS AND SUPERVISE INTERNAL ELECTRICAL WIRING WORK WITHOUT MEETING THE LICENSURE REQUIREMENTS FOR ENGINEERS AND LAND SURVEYORS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 9th day of July, 1992.

H.J.R. 1678 **RESOLUTION 69**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF JAMES FORREST PENNY, JR., FORMER STATE LEGISLATOR.

Whereas, James Forrest Penny, Jr., was born in Harnett County on October 23, 1937, to James Forrest Penny, Sr., and Marie Abernathy Penny; and

Whereas, James Forrest Penny, Jr., was educated at Lafayette High School in Kipling, North Carolina, at Campbell College, at the University of North Carolina at Chapel Hill, and at the Wake Forest University School of Law, where he received an LL.B. in 1960; and

Whereas, James Forrest Penny, Jr., practiced law in Lillington for over 27 years and, was a member of the Harnett County Bar Association, the North Carolina Bar Association, the North Carolina Academy of Trial Lawyers, the American Bar Association, and other professional associations; and

Whereas, James Forrest Penny, Jr., served as vice-president of the Harnett County Bar Association from 1968 to 1969 and as treasurer of the Harnett County Democratic Executive Committee from 1966 to 1967; and

Whereas, James Forrest Penny, Jr., served the citizens of Harnett and Lee Counties for one term in the North Carolina House of Representatives from 1969 through 1970; and

Whereas, James Forrest Penny, Jr., served his community as a member of the Baptist Grove Ruritan Club; and

Whereas, James Forrest Penny, Jr., was a member of the Chalybeate Springs Baptist Church; and

Whereas, James Forrest Penny, Jr., was elected to and served on the General Board of the Baptist State Convention of North Carolina; and

Whereas, James Forrest Penny, Jr., was president of the Sanford Chapter of the Christian Motorcycle Association and a member of the Raleigh Harley Owners Group and Raleigh Touring; and

Whereas, James Forrest Penny, Jr., died on February 28, 1992; and

Whereas, all who knew James Forrest Penny, Jr., were saddened by his death; and

Whereas, James Forrest Penny, Jr., is survived by his daughter, Ann Marie Penny; his son, James F. Penny, III; his parents, J. Forrest and Marie Penny; his sister, Anita Griffin; and his brother, Ronald T. Penny;

Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

Section 1. The General Assembly honors the memory of James Forrest Penny, Jr., and expresses its sincere appreciation and the gratitude of this State and its citizens for his life and service to North Carolina.

Sec. 2. The General Assembly expresses its deep sorrow to the family and friends of James Forrest Penny, Jr., for the loss of a beloved family member and a true friend.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of James Forrest Penny, Jr.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 10th day of July, 1992.

S.J.R. 1257 **RESOLUTION 70**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF THE HONORABLE JOSEPH BRANCH, FORMER CHIEF JUSTICE OF THE NORTH CAROLINA SUPREME COURT AND STATE LEGISLATOR.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF THE HONORABLE JOSEPH BRANCH, FORMER CHIEF JUSTICE OF THE NORTH CAROLINA SUPREME COURT AND STATE LEGISLATOR."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 14th day of July, 1992.

S.J.R. 1274 **RESOLUTION 71**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT THE IMMUNITY HELD BY MEMBERS OF THE GENERAL ASSEMBLY DOES NOT APPLY TO INFRACTIONS.

Be it resolved by the Senate, the House of Representatives concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT THE IMMUNITY HELD BY MEMBERS OF THE GENERAL ASSEMBLY DOES NOT APPLY TO INFRACTIONS."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

H.J.R. 1669 **RESOLUTION 72**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A JOINT RESOLUTION HONORING THE CITY OF JACKSONVILLE ON BEING NAMED AN ALL AMERICA CITY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A JOINT RESOLUTION HONORING THE CITY OF JACKSONVILLE ON BEING NAMED AN ALL AMERICA CITY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 17th day of July, 1992.

S.J.R. 1275 **RESOLUTION 73**

A JOINT RESOLUTION HONORING THE LIFE AND MEMORY OF THE HONORABLE JOSEPH BRANCH, FORMER CHIEF JUSTICE OF THE NORTH CAROLINA SUPREME COURT AND STATE LEGISLATOR.

Whereas, Joseph Branch was born in Enfield, North Carolina, on July 5, 1915, to James C. Branch and Laura Applewhite Branch; and

Whereas, Joseph Branch was educated at Enfield High School, Wake Forest College, and at the Wake Forest College School of Law, where he received an LL.B. in 1938; and

Whereas, Joseph Branch served his country in the United States Armed Forces from 1943 to 1945; and

Whereas, Joseph Branch practiced law in Enfield from 1938 to 1966; and

Whereas, Joseph Branch's distinguished public service to North Carolina began in 1947, when he was first elected to the North Carolina House of Representatives and then continued to serve four consecutive terms; and

Whereas, Joseph Branch served as legislative counsel to Governor Luther H. Hodges in 1957 and to Governor Dan K. Moore in 1965; and

Whereas, Joseph Branch's contributions as a jurist began in 1966, when Governor Dan K. Moore appointed him as an Associate Justice of the North Carolina Supreme Court; and

Whereas, in 1968, Joseph Branch was elected to a full term on the North Carolina Supreme Court and reelected to a full term in 1976; and

Whereas, in 1979, Governor James B. Hunt appointed Joseph Branch as Chief Justice of the North Carolina Supreme Court; and

Whereas, in 1980, Joseph Branch was elected to fill an unexpired term on the North Carolina Supreme Court and, in 1982, he was elected to a full term; and

Whereas, Joseph Branch served his community as a member of the Masonic Order, the Enfield Lions Club, and as the attorney for the Halifax County Board of Education; and

Whereas, Joseph Branch served as a trustee and former chairman of the Board of Trustees of Wake Forest University, as a member of the Board of Visitors of Wake Forest University School of Law, and as a former trustee of Wesleyan College; and

Whereas, Joseph Branch was an important member of the Democratic Party, serving as former Chairman of the Halifax County Democratic Party; and

Whereas, Joseph Branch was a member of the Halifax County Bar Association, the North Carolina Bar Association, and the American Bar Association; and

Whereas, Joseph Branch received a number of awards and honors, including an Honorary Doctor of Human Letters Degree from Elon College in 1984; an Honorary Doctor of Laws Degree from both

Wake Forest University in 1983 and from Campbell University in 1981; Outstanding Appellate Judge from the North Carolina Academy of Trial Lawyers in 1981; the Carroll Wayland Weathers Distinguished Alumni Award from Wake Forest University in 1980; the Distinguished Service in Law Citation from Wake Forest University in 1975; and the Outstanding Service Alumni Award from Wake Forest University in 1971; and

Whereas, Joseph Branch was a former member of the Enfield Baptist Church, where he served as deacon, and a member of Hayes Barton Baptist Church in Raleigh; and

Whereas, the family and friends of Joseph Branch, as well as the State of North Carolina, suffered a great loss with his death; and

Whereas, Joseph Branch is survived by his wife, Frances Jane Kitchen Branch and his children, Jane Branch McRee and James C. Branch; and

Whereas, the General Assembly wishes to honor the memory of Joseph Branch and recognize his many years of public service to the people of this State and of the United States;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly honors the memory of Joseph Branch, a distinguished jurist and legislator, for his dedication and life-long career of public service and for his many contributions to the legislative and judicial systems of the State of North Carolina.

Sec. 2. The General Assembly expresses its sympathy to the family and friends of Joseph Branch for their loss.

Sec. 3. The Secretary of State shall transmit a certified copy of this resolution to the family of Joseph Branch.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 21st day of July, 1992.

H.J.R. 1683 **RESOLUTION 74**

A JOINT RESOLUTION AUTHORIZING THE 1991 GENERAL ASSEMBLY, 1992 SESSION, TO CONSIDER A BILL TO BE ENTITLED AN ACT TO CHANGE THE STANDARD OF PROOF IN HEARINGS AND REHEARINGS FOR INVOLUNTARY COMMITMENT OF PERSONS FOUND NOT GUILTY BY REASON OF INSANITY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The 1991 General Assembly, Regular Session 1992, may consider "A BILL TO BE ENTITLED AN ACT TO CHANGE THE STANDARD OF PROOF IN HEARINGS AND REHEARINGS FOR INVOLUNTARY COMMITMENT OF PERSONS FOUND NOT GUILTY BY REASON OF INSANITY."

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

S.J.R. 1272 **RESOLUTION 75**

A JOINT RESOLUTION HONORING DUKE UNIVERSITY ON WINNING ITS SECOND STRAIGHT NCAA DIVISION I MEN'S BASKETBALL CHAMPIONSHIP.

Whereas, on April 6, 1992, the student athletes on Duke University's men's basketball team won the 1992 National Collegiate Athletic Association (NCAA) Division I Championship by defeating the University of Michigan by a score of 71-51; and

Whereas, the championship is the second straight NCAA Division I men's basketball title for Duke University, the 1991 team having defeated the University of Kansas for the title by a score of 72-65; and

Whereas, Duke University is the first team to win consecutive NCAA Division I men's basketball championships since 1973, and the only member of the Atlantic Coast Conference (ACC) ever to win consecutive championships; and

Whereas, Duke University was ranked Number One in men's basketball for the entire 1991-92 season, finished first in the ACC, won the ACC tournament, and ended the season with a record of 34-2; and

Whereas, Duke University holds an impressive record of 50 wins in 17 trips to the NCAA Tournament; and

Whereas, Duke University has been to the Final Four of the NCAA Tournament 10 times, making six appearances in the last seven years; and

Whereas, Head Coach Mike Krzyzewski is only the second coach in the history of the NCAA Tournament to lead a team to five consecutive appearances in the Final Four, and has the highest winning percentage for active coaches in NCAA Tournament games with a record of 33-7; and

Whereas, these extraordinary accomplishments bring great honor and distinction to the State of North Carolina, and deserve recognition by the State; and

Whereas, these accomplishments reflect favorably on the outstanding athletic program developed under the leadership of the late Edward (Eddie) Cameron, the long-time Duke basketball coach and athletic director for whom Cameron Indoor Stadium is named;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly expresses the appreciation and admiration of the people of North Carolina to Duke University's men's basketball team for winning the 1992 National Collegiate Athletic Association Division I Championship.

Sec. 2. The General Assembly recognizes the achievements of head coach, Mike Krzyzewski; assistant coaches, Mike Brey, Tommy Amaker, Pete Gaudet, and Jay Bilas; team members, Christian Ast, Kenny Blakeney, Ron Burt, Marty Clark, Brian Davis, Grant Hill, Thomas Hill, Bobby Hurley, Christian Laettner, Antonio Lang, Erik Meek, and Cherokee Parks; trainer, Max Crowder; and senior managers Mark Williams and Suzanne Gilbert.

Sec. 3. The Secretary of State shall send certified copies of this resolution to Duke University President H. Keith Brodie, Athletic Director Tom Butters, and all of the individuals honored in this resolution.

Sec. 4. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

H.J.R. 1684 **RESOLUTION 76**

A JOINT RESOLUTION PROVIDING FOR ADJOURNMENT SINE DIE OF THE GENERAL ASSEMBLY.

Be it resolved by the House of Representatives, the Senate concurring:

Section 1. The Senate and House of Representatives constituting the General Assembly of 1991 do adjourn *sine die*, on Saturday, July 25, 1992, at 10:00 A.M.

Sec. 2. This resolution is effective upon ratification.

In the General Assembly read three times and ratified this the 25th day of July, 1992.

STATE OF NORTH CAROLINA

DEPARTMENT OF STATE,

RALEIGH, JULY 25, 1992

I, RUFUS L. EDMISTEN, Secretary of State of North Carolina, hereby certify that the foregoing volume was printed under the direction of the Legislative Services Commission from ratified acts and resolutions on file in the office of the Secretary of State.



Secretary of State

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State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 147
ESTABLISHMENT OF THE GEOGRAPHIC INFORMATION COORDINATING COUNCIL AND THE TRANSFER OF THE CENTER FOR GEOGRAPHIC INFORMATION AND ANALYSIS TO THE OFFICE OF THE GOVERNOR

WHEREAS, geographic information is emerging as an important strategic resource for the future; and

WHEREAS, increasingly complex decisions, overlapping governmental responsibilities, and limited financial resources demand that agencies work together to develop and utilize geographic information; and

WHEREAS, North Carolina has a history of effective utilization of geographic information and "geographic information systems" (GIS) technology both at the state level and the local level; and

WHEREAS, geographic information and GIS technology are now being developed and used by many agencies in North Carolina without a statewide focus or framework to maximize their usefulness; and

WHEREAS, geographic information and GIS technology can only be fully and practically utilized with a statewide focus and cooperative effort;

NOW, THEREFORE, by the authority vested in me as Governor by Art. III, Section 5(10) of the North Carolina Constitution and the laws of the State, IT IS HEREBY ORDERED:

Section 1. Policy. A statewide geographic information coordination effort is hereby formalized for the purpose of furthering cooperation among State, federal, and local government agencies; academic institutions; and the private sector to improve the quality, access, cost effectiveness and utility of North Carolina's geographic information and to promote geographic information as a strategic resource for the State.

Section 2. Establishment of Coordinating Council. There is hereby established with the concurrence of the Information Technology Commission (hereinafter ITC) the Geographic Information Coordinating Council (hereinafter Coordinating Council) as a means of guiding the Center for Geographic Information and Analysis (hereinafter CGIA) and establishing the State's direction in the utilization of geographic information, GIS systems, and other related technologies. The stated purposes of the Coordinating Council are (a) strategic planning (b) resolution of policy and technology issues (c) coordination, direction and oversight, and (d) advising the Governor, the legislature, and the ITC as to needed directions, responsibilities, and funding regarding geographic information.

Section 3. Transfer of the Center for Geographic Information and Analysis. The Center for Geographic Information and Analysis shall be transferred from the Department of Environment, Health and Natural Resources to State Policy and Planning in the Office of the Governor. The transfer shall be in the same manner as a Type I transfer as provided for in N.C.G.S. 143A-6.

Section 4. Center for Geographic Information and Analysis. Central service functions related to GIS coordination shall become the responsibility of the Center for Geographic Information and Analysis. These responsibilities are listed in the March 5, 1991, report adopted by the Information Technology Commission entitled "Statewide Coordination of Geographic Information Systems," pages 11-13. Typical responsibilities include: providing GIS production and consulting services; giving technical support including assistance in planning; installing and using GIS systems; providing a wide variety of GIS related training services and education programs in coordination with SIPS; serving as a clearing house for the exchange of GIS related information and services; and providing the staff support for the GIS Coordination Council.

Section 5. Membership: The membership of the Coordinating Council shall consist of 12 members and shall be as follows:

1) The Secretary of the Department of Environment, Health and Natural Resources;

2) The Secretary of Transportation;

3) The Secretary of Administration;

4) The Commissioner of Agriculture;

5) The Superintendent of Public Instruction;

6) The department head of an at-large GIS user agency to be appointed by the Governor;

7) The State Budget Officer;

8) The State Planning Officer;

9) One representative elected annually from the State Government User Committee;

10) One representative elected annually from the Affiliated User Group Committee;

11) One representative from Local Government to be appointed by the Governor; and

12) The Director of SIPS who shall serve as a non-voting member.

The Governor shall appoint a chair from among the membership to serve for a one year period.

The Director of CGIA shall provide staff support as required.

Section 6. Committees. The Coordinating Council may establish ad hoc work groups, as needed, and shall form the following standing committees:

a) State Government GIS User Committee: Membership shall consist of representatives from all interested state government departments. The committee shall elect its chairman and advise the Coordinating Council on issues, problems, and opportunities relating to GIS.

b) State Mapping Advisory Committee (SMAC): The primary thrust of the SMAC shall be to consolidate statewide mapping requirements and to advise the Coordinating Council on issues, problems, and opportunities relating to U. S. Geological Survey (USGS) programs and information. The Coordinating Council shall select a chair of the State Mapping Advisory Committee (SMAC). The Committee shall be organized and operated in a manner acceptable to the USGS's National Mapping Division. Membership shall not be limited. Voting eligibility shall not include federal agencies, but shall be otherwise determined by the Coordinating Council upon recommendation by the SMAC Chair. The State Geologist shall serve as a permanent ex officio member of the SMAC. The purpose of the SMAC shall be to consolidate statewide mapping requirements into a single annual report to the USGS; to inform users of geographic information about the status of mapping programs and the availability of map materials from USGS; and to gain statewide support for financing cooperative programs with USGS. The Committee shall also advise the Coordinating Council on issues, problems, and opportunities relating to USGS programs and information.

c) Affiliated GIS User Group Committee: Shall be comprised of representatives from local governments, federal government, private industry, universities, and the General Assembly. The committee shall elect its

chairman and advise the Coordinating Council on issues, problems, and opportunities relating to the use of GIS systems.

Section 7. Effective Date. This Order shall become effective immediately and remain in effect until June 30, 1995 or until rescinded.

Done in the Capital City of Raleigh, this the 30th day of July, 1991.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 148
GOVERNOR'S TASK FORCE ON HEALTH OBJECTIVES FOR THE YEAR 2000

North Carolina is blessed with some of the finest medical facilities and medical care found anywhere in the world. In spite of this, more than forty North Carolinians die prematurely each day, exacting an enormous economic, social and personal toll upon our society. Tragically, most of these deaths are preventable by relatively simple changes in individual lifestyle behavior.

In order to provide to the citizens of our state a way to prevent this tragic loss of death and disability, a realistic plan needs to be developed that communities and individual citizens may use to improve their health status and avoid premature deaths. This plan must promote the advantages of health promotion and disease prevention.

THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The Governor's Task Force on the Year 2000 Health Objectives is hereby established. The Task Force shall consist of not more than

25 persons appointed by the Governor to serve at the pleasure of the Governor. All vacancies shall be filled by the Governor. The Governor shall designate the Chairman.

Section 2. MEMBERSHIP

The membership shall include representatives from the following:

1. Department of Human Resources
2. Department of Environment, Health, and Natural Resources
3. Association of North Carolina Board of Health
4. North Carolina Hospital Association
5. North Carolina Medical Society
6. North Carolina Academy of Family Physicians
7. North Carolina Association of Local Health Directors
8. The University of North Carolina School of Public Health
9. North Carolina Citizens for Business and Industry
10. Local Education
11. North Carolina County Commissioners Association
12. National Association for the Advancement of Colored People
13. North Carolina Minority Health Council
14. Governor's Council on Physical Fitness and Health
15. North Carolina Dental Society
16. North Carolina Nurses' Association
17. Old North State Medical Society

There shall also be 8 Members-at-Large.

Section 3. FUNCTIONS

A. The Task Force shall meet regularly at the call of the Chairman.

B. The Task Force shall have the responsibility of developing and delivering to the Governor by September 1, 1992, a list of health objectives for the citizens of North Carolina designed to:

1. increase the span of healthy life of the citizens of North Carolina;
2. remove health disparities among the disadvantaged; and
3. emphasize preventive health services.

C. These objectives must:

1. be measurable;
2. include measures to benefit our disadvantaged populations;
3. emphasize individual and community intervention;
4. emphasize the value of health promotion and disease prevention to our society; and
5. be obtainable by the year 2000.

Section 4. ADMINISTRATION

A. Administrative support for the Task Force shall be provided through a grant for the Reynolds Health Care Trust to be administered by the Department of Environment, Health, and Natural Resources. Additional support shall be provided by the Department of Environment, Health, and Natural Resources and by the Department of Human Resources.

B. Members of the Task Force shall be reimbursed for necessary travel and subsistence expenses as authorized under General Statute 138-5 and 138-6. Funds for the reimbursement of

such expenses shall be made available from funds authorized by the Department of Environment, Health, and Natural Resources.

C. It shall be the responsibility of each cabinet department to make every reasonable effort to cooperate with the Task Force in carrying out the provisions of this order.

Section 5. IMPLEMENTATION AND DURATION

This Executive Order shall become effective immediately and will expire upon completion and delivery of the health objectives to the Governor. It is subject to reissuance or extension at the discretion of the Governor.

Done in Raleigh, North Carolina, this 6th day of August, 1991.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina

JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 149

RESCISSION OF EXECUTIVE ORDER NUMBER 79 WHICH ESTABLISHED THE NORTH CAROLINA SMALL BUSINESS COUNCIL

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 79 establishing the North Carolina Small Business Council is hereby rescinded.

Done this the 15th day of August, 1991.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State

State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 150
NORTH CAROLINA HUMAN SERVICE TRANSPORTATION COUNCIL

WHEREAS, the North Carolina Departments of Transportation, Human Resources, and Economic and Community Development administer State and Federal funding programs which may be used by local human service agencies to provide necessary client transportation services; and

WHEREAS, the administrative polices and procedures of these departments greatly affect vehicle usage and the provision of transportation services at the local level; and

WHEREAS, the Interagency Transportation Review Committee was established in 1978 to review the transportation components of all applications or plans requesting transportation funding when the funds are administered by a State department or agency; and

WHEREAS, the Interagency Transportation Review Committee process has led to a much more coordinated and cost effective use of transportation resources, both capital and operating, by local human service transportation providers; and

WHEREAS, the General Assembly has appropriated funds for the Elderly and Handicapped Transportation Assistance Program based on the assurance

of cost-effectiveness provided by implementation of the local Transportation Development Plan; and

WHEREAS, Title XIX Medicaid transportation funds are to be expended in a manner consistent with the local Transportation Development Plan; and

WHEREAS, there is a need for a statement of policy on coordination of transportation resources and these State departments and agencies are in a position to facilitate the more efficient use of these resources.

THEREFORE, pursuant to the authority vested in me as Governor by the Constitution and laws of this State IT IS ORDERED:

Section 1. POLICY

That, wherever practical, existing transportation resources, public and private, should be utilized before any new resources will be made available through public funds;

That the locally prepared and adopted Transportation Development Plan shall continue to be the means by which to determine the most cost effective and efficient use of transportation resources; and

That the Department of Transportation shall provide, to the extent that funds are available and equipment is used consistent with the local Transportation Development Plan, capital equipment for the provision of local human service transportation while the transportation funds from other departments are used primarily for operating assistance.

Section 2. ESTABLISHMENT

(1) There is hereby created the North Carolina Human Service Transportation Council. The Council will be composed of representatives from the North Carolina Departments of Transportation, Human Resources,

and Economic and Community Development. The Secretaries of the respective departments shall determine those divisions to be represented on the Council. Representation should include all divisions which administer federal and state funds used to provide human service transportation at the local level. Division directors will be responsible for selecting a staff person as the division's council representative. Council appointees should be in policy making positions and have authority over subrecipient budget review and approval.

(2) Departments, agencies or programs which are outside the jurisdiction of the Executive Order are encouraged to join the Council and agree to adopt the policies, procedures and decisions of the Council.

(3) The State departments shall cooperate in the formation, follow the policies, procedures and decisions of, and support the Human Service Transportation Council as described herein. Council representatives shall assist the Department of Transportation in encouraging local agencies to participate in transportation development planning efforts and in subsequent plan implementation, and to operate vehicles in a manner consistent with the local plan.

(4) The Director of the Public Transportation and Rail Division shall chair the Council.

Section 3. DUTIES OF COUNCIL

The Council shall have the following duties:

(1) to implement policy and apply criteria as developed by the Council;

(2) to provide written notice of recommendations based upon review of applications or plans to the appropriate State agency;

(3) to review the transportation components of all applications or plans requesting transportation funding when funds are administered by a member agency;

(4) to provide approval for the purchase of all human service transportation vehicles financed by State administered programs; and

(5) to advise and make recommendations to the Department of Transportation concerning human service transportation policy.

Section 4. ADMINISTRATION

The Department of Transportation - Public Transportation & Rail Division shall provide the administrative support for the Council.

Section 5. TRANSPORTATION FUNDING DECISIONS

In case of disputes, the local and/or State agency shall have the opportunity to address the Council. When the Council decision is appealed or when the Council cannot reach consensus, the Secretary of the Department of Transportation, after conferring with the appropriate Department Secretary, shall have authority on all transportation funding decisions under the jurisdiction of the Council.

Section 6. AGENCY RESPONSIBILITIES

(1) To further the objectives of the Executive Order, all departments and agencies under the Executive Order shall immediately draft directives and procedures necessary to implement these policies. Such drafts shall be submitted to the Secretary of Transportation for review and approval within 60 days of the signing of this Executive

Order. Public Transportation & Rail Division staff assistance shall be made available as necessary.

(2) There shall be a signed statement of policy for each agency under the jurisdiction of this Executive Order. The statement should be signed by the respective Department Secretary and each of the division directors within the department that come under the jurisdiction of this Executive Order. The statement will address the agency's commitment to the objectives of this Executive Order and the policies and procedures of the Council.

Section 7. EFFECTIVE DATE

This order shall be effective immediately and shall remain in effect until July 1, 1993.

Done in the Capital City of Raleigh, North Carolina this the 21st day of August, 1991.

James G. Martin

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten

Rufus L. Edmisten, Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 151
GOVERNOR'S ADVISORY COMMISSION ON MILITARY AFFAIRS

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The Governor's Advisory Commission on Military Affairs is hereby re-established. It shall be comprised of thirty (30) members. Fifteen (15) members are to be appointed by the Governor and serve for terms of two (2) years at the pleasure of the Governor. In addition to the fifteen (15) appointed members the following fifteen (15) will be permanent members: The Lieutenant Governor of North Carolina; the Chairpersons of the Military Affairs Committees of the North Carolina House of Representatives and the North Carolina Senate; the Secretaries of the Departments of Administration, Transportation, Environment, Health and Natural Resources, Crime Control and Public Safety, and Economic and Community Development; the base commanders of Fort Bragg, Camp Lejeune, Cherry Point and the Elizabeth City Coast Guard Air

Station, the Wing Commanders of the 4th Tactical Fighter Wing and the 317th Tactical Airlift Wing and the Adjutant General of the North Carolina National Guard. The Governor shall designate one of the members as Chairperson.

Section 2. MEETINGS

The Commission shall meet regularly at the call of the Chairperson, the Governor, or the Secretary of Crime Control and Public Safety.

Section 3. DUTIES

The Commission shall have the following duties:

(a) Provide a forum for the discussion of issues concerning major military installations in the State, active and retired military personnel and their families.

(b) Formulate goals and objectives which enhance cooperation and understanding between the military components, the communities, our congressional delegation, the general public, and State, federal, and local governments.

(c) Strengthen the State's role in securing defense related business for North Carolina businesses and in selling North Carolina products to North Carolina military bases.

(d) Collect and study information related to supporting and strengthening the military presence within the State.

(e) Review proposed military affairs legislation.

(f) Advise the Governor on measures and activities which would support and promote defense installations and military families within the State.

Section 4. ADMINISTRATION

Support staff for the Commission shall be provided by the Department of Crime Control and Public Safety. Members shall serve without compensation but may receive reimbursement, contingent upon the availability of funds, for travel and subsistence in accordance with N.C.G.S. 138-5, 138-6, and 120-3.1.

Section 5. EFFECTIVE DATE AND EXPIRATION

The Order shall be effective immediately.

Done in the Capital City of Raleigh, North Carolina, this the 11th day of September, 1991.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 152
ESTABLISHING THE PERSIAN GULF WAR MEMORIAL COMMISSION

WHEREAS, one-sixth (1/6) of the nearly 500,000 troops serving in the Persian Gulf War were residents of, or stationed in, North Carolina; and,

WHEREAS, a number of these servicemen and servicewomen from North Carolina gave their lives for their country during the Persian Gulf War.

THEREFORE, by the authority vested in me by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

There is hereby established the Persian Gulf War Memorial Commission. It shall be comprised of the following:

1. Two members of families who lost relatives in the Persian Gulf to be appointed by the Governor.
2. The base commanders of (a) Fort Bragg, (b) Camp Lejeune, (c) United States Marine Corps Air Station at Cherry Point, (d) Seymour Johnson Air Force Base, (e) Pope Air Force Base, (f) the Coast Guard Station at Fort Macon,

(g) New River Air Station, and (h) Elizabeth City Coast Guard Air Station, or their designees.

3. One member from the North Carolina Veterans Council to be elected by the Council.

4. One member from the North Carolina Veterans Affairs Commission to be elected by the Commission.

5. The Adjutant General of the North Carolina National Guard.

6. The Senior Commander of the United States Army Reserve from North Carolina, deployed to the Persian Gulf.

7. The Lt. Governor of North Carolina.

8. The Secretary of the North Carolina Department of Administration.

9. The Secretary of the North Carolina Department of Crime Control and Public Safety.

10. The Director of the United States Department of Veteran Affairs Regional Office.

From among the membership the Governor shall appoint a Chairperson. The Commission shall meet at the call of the Chairperson.

Section 2. PURPOSE

The purpose of the Commission is to select a site for construction of a memorial, develop plans for funding, select a design for the memorial, and select a construction firm to construct the memorial. To this end the Commission shall establish itself as a nonprofit, Chapter 501c(3) corporation for the purpose of receipt of and expenditure of donated funds. At

the completion of each of the aforementioned the Chairperson shall advise the Governor of the Commission's findings and results.

Section 3. ADMINISTRATION

Administrative support for the Commission shall be provided by the Department of Administration's Division of Veterans Affairs. There shall be no per diem paid to members of the Commission; however, necessary travel and subsistence allowance may be paid in accordance with N.C.G.S. 138-5, 138-6, and 120-3.1.

Section 4. EFFECTIVE DATE

This Order shall be effective immediately.

Done in the Capital City of Raleigh, North Carolina, this the 11th day of September, 1991.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 153
NORTH CAROLINA 2000

WHEREAS, President Bush and the nation's governors have called upon every community in America to achieve the following national education goals:

(1) By the year 2000, all children in America will start school ready to learn;

(2) By the year 2000, the high school graduation rate will increase to at least 90 percent;

(3) By the year 2000, American students will leave grades four, eight, and twelve having demonstrated competency over challenging subject matter including English, mathematics, science, history, and geography; and every school in America will ensure that all students learn to use their minds well, so they may be prepared for responsible citizenship, further learning, and productive employment in our modern economy;

(4) By the year 2000, U.S. students will be first in the world in mathematics and science achievement;

(5) By the year 2000, every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship; and

(6) By the year 2000, every school in America will be free of drugs and violence and will offer a disciplined environment conducive to learning; and

WHEREAS, America 2000, President Bush's strategy for education builds upon four related themes, to wit:

(1) Creating better and more accountable schools;

(2) Creating a new generation of American schools for tomorrow's students;

(3) Transforming America into a "Nation of Students"; and

(4) Making our communities places where learning will happen;

NOW THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT. There is hereby established the North Carolina 2000 Steering Committee.

Section 2. MEMBERSHIP. The Governor shall appoint members of the Committee who shall serve at the pleasure of the Governor. The membership of the Committee shall include representatives from the following: the education community, business and industry, and government as well as parents of North Carolina students.

Section 3. TERMS. All members shall serve at the pleasure of the Governor.

Section 4. CHAIRPERSON. The Governor shall appoint a chairperson.

Section 5. MEETINGS. The Committee shall meet bi-monthly.

Section 6. QUORUM. A majority of the membership shall constitute a quorum.

Section 7. PURPOSE. The purpose of the Committee shall be to:

(1) Officially adopt the national education goals;

(2) Establish a strategy for challenging local communities to develop community action teams;

(3) Develop state-wide capability to disseminate information regarding the strategies and activities developed by local goal teams; and

(4) Develop and implement a reporting system to assimilate information regarding progress through an annual state-wide report.

Section 8. DUTIES AND POWERS. The Committee shall perform such duties as assigned by the Governor which shall include, but not be limited to, the following:

a. To develop an action plan for making the achievement of the national education goals a State priority; and

b. To provide statewide vision and leadership to mobilize public attention and support to enable communities to: develop local action plans to meet goals, disseminate information regarding plans and programs, to evaluate

results, and to seek funding for a "New American School" from the U.S. Department of Education.

Section 9. ADMINISTRATION AND EXPENSES. The administrative support for the Committee shall be provided by the Office of the Governor.

Section 10. SEMI-ANNUAL REPORT. The Committee shall report semi-annually from the date of this Executive Order to the Governor regarding the progress of North Carolina 2000.

This Executive Order is effective immediately and shall remain in effect until June 30, 1993, unless terminated earlier or extended by further Executive Order.

Done in Raleigh, North Carolina, this the 24th day of September, 1991.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 154
AMENDING EXECUTIVE ORDER NUMBER 53
THE GOVERNOR'S INTER-AGENCY ADVISORY TEAM ON
ALCOHOL AND OTHER DRUG ABUSE

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 53, as amended by Executive Order Number 85 and as amended and extended by Executive Order Number 144, is hereby amended to add the following member to the Advisory Team.

Section 1. Establishment

The Advisory Team shall consist of not less than twelve members and shall include the following...

A member from the North Carolina Commission on Indian Affairs.

This Executive Order shall become effective immediately.

Done in Raleigh, this the 30th day of September, 1991.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina

JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 155
AMENDING EXECUTIVE ORDER NUMBER 65
NORTH CAROLINA STATE DEFENSE MILITIA

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 65 is hereby amended to add the following language at the end of the fourth "WHEREAS" clause: "or when otherwise called upon by the Governor"; and is also amended to add the following language to the end of Section 1: "and, when otherwise called upon by the Governor."

This Executive Order shall become effective immediately.

Done in Raleigh, this the 17th day of October, 1991.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State

State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 156
ESTABLISHING THE NORTH CAROLINA COMMITTEE ON LITERACY AND BASIC SKILLS AND RESCINDING EXECUTIVE ORDER NUMBER 90

WHEREAS, the Governor's Advisory Council on Literacy was created by Executive Order Number 90 on May 18, 1989, with the purpose of providing advocacy for adult literacy in North Carolina and advising the Governor on improving the literacy of the State's citizens; and

WHEREAS, the Advisory Council has accomplished its primary mandates by focusing its attention on the expansion of Family Literacy programs, expansion of workplace literacy, and the establishment of a private, non-profit trust fund for the support of literacy programs; and

WHEREAS, there is a need for a continuing mechanism for public advocacy and guidance of public policy in adult literacy which is more closely linked to the State Board of Community Colleges, the State's primary governing board for the delivery of adult basic education;

THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The North Carolina Committee for Basic Skills is established to:

a. Advise the Governor, the State Board of Community Colleges, and other public policy and education leaders on issues and needs in basic skills education for adults;

b. Foster cooperation between the public and private sectors in meeting the critical need for higher basic skills in the workplace;

c. Expand public awareness of the need for a literate citizenry.

Section 2. MEMBERSHIP

a. The Committee membership shall consist of 13 members to be appointed by the Governor and who serve at his pleasure. The Governor shall select a chairperson from among the members.

b. The Committee shall include representation from the following groups: education, job training, human services, public assistance, libraries, economic development, and classroom literacy teachers.

c. Members of the Committee shall serve terms from July 1, 1991, to December 31, 1992.

d. The membership may be supplemented as deemed appropriate by the Chairman of the State Board of Community Colleges.

Section 3. ADMINISTRATIVE SUPPORT

The North Carolina State Board of Community Colleges and the Department of Community Colleges shall provide administrative support to the Committee.

Section 4. RESCISSION OF EXECUTIVE ORDER NUMBER 90

The Governor's Advisory Council on Literacy is dissolved with gratitude to the membership for the significant work accomplished.

This Executive Order shall become effective immediately.

Done in Raleigh, North Carolina, this the 17th day of October, 1991.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 157
WAIVING CERTAIN PENALTIES PURSUANT TO CHAPTER 166A
OF THE GENERAL STATUTES OF NORTH CAROLINA

WHEREAS, this year's cotton and peanut crops are the largest in recent years; and

WHEREAS, substantial portions of the crops may be lost if they are not removed from the fields before the onset of winter; and

WHEREAS, there is a substantial likelihood that the farmers of the State will not be able to remove their cotton and peanut crops from the fields before the onset of winter with the equipment now available to them for that purpose if they are required to adhere to the weight restrictions presently imposed by N.C.G.S. §§20-88, 20-96, and 20-118; and

WHEREAS, under the provisions of N.C.G.S. §§166A-4(3) and 166A-6(c)(3), the Governor, with the concurrence of the Council of State, may waive the penalties for exceeding the weight limits imposed by said statutes in the event of an imminent threat of widespread damage from a natural or man-made accidental cause within the meaning of N.C.G.S. §§166A-4(3) and 166A-6(c)(3); and

WHEREAS, with the concurrence of the Council of State, I have found that because (i) they must adhere to the weight restrictions of N.C.G.S. §§20-88, 20-96 and 20-118, farmers will be unable to remove their cotton and peanut crops from the fields before the onset of winter, (ii) their inability to do so likely will result in damages to their crops causing them to suffer losses and, therefore, (iii) there is an imminent threat of widespread damage from a natural or man-made accidental cause within the meaning of N.C.G.S. §166A-4(3);

THEREFORE, pursuant to the authority vested in me by the Constitution and laws of this State and with the concurrence of the Council of State, it is ORDERED:

Section 1. The Division of Motor Vehicles shall waive penalties arising under N.C.G.S. §§20-88, 20-96 and 20-118 that otherwise would be assessed against vehicles transporting on the highways of the State unprocessed peanuts and unginned cotton to processing facilities.

Section 2. Notwithstanding the waivers recited above, penalties shall not be waived (i) in those instances where the vehicle weight exceeds the maximum gross vehicle weight criteria established by the manufacturer, or (ii) for cotton module trucks having tandem axle weights in excess of 44,000 pounds.

Section 3. This Order shall be effective immediately and shall remain in effect until February 1, 1992.

Done in the Capital City of Raleigh, North Carolina this the 8th day of November, 1991.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NO. 158
REPUBLISHING AND AMENDING EXECUTIVE ORDER NO. 137

Section 1: Executive Order No. 137, as amended by Executive Order No. 138, is republished and further amended, as follows:

1. The words, "and the Consolidated Judicial Retirement System," shall be inserted following the words, "Teachers' and State Employees Retirement System," wherever the latter shall appear, except in Section 2.

2. In Section 2, the words, "4.49% of the compensation paid by the State to the Consolidated Judicial Retirement System," shall be inserted following the words, "Teachers' and State Employees' Retirement System."

3. The word "two" shall be inserted before the word "System" in the fourth line of the third paragraph and the word "System" shall be made plural.

4. Section 3:

(a) shall be renumbered "Section 4;" and

(b) shall have a period put following the word "rescinded;" and

(c) the rest of the section shall be deleted.

5. A new "Section 3" shall be inserted following "Section 2" and before the new "Section 4," as follows:

"Section 3. To the extent necessary after June 30, 1991, the Office of State Budget and Management may make corrections to State contributions withheld in order to accurately account for funds managed in Section 2, hereof."

Section 2: Executive Order No. 137, as amended by Executive Order No. 138, and as amended here, is republished in its entirety.

Section 3: This Executive Order is effective immediately.

Done in Raleigh, North Carolina, this 17th day of December, 1991.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 159
NORTH CAROLINA GOVERNOR'S COMMISSION ON WORKFORCE PREPAREDNESS

WHEREAS, the final report of the previous Governor's Commission on Workforce Preparedness has increased public awareness in connection with the impending skills crisis in North Carolina; and

WHEREAS, an education-economic development link has been forged by the rapid evolution in technological advancements and the globalization of the economy; and

WHEREAS, North Carolina's competitive position in the new emerging global economy is threatened by low levels of educational attainment among some members of our population; and

WHEREAS, the existing vocational, basic and remedial education, employment, and job training systems lack coordination; and

WHEREAS, this lack of coordination makes it difficult to ascertain duplication of services and program impact, and more importantly, does not allow for a serious analysis in determining

the responsiveness of the system in meeting the needs of both employers and individuals in need of program services; and

WHEREAS, the previous Governor's Commission on Workforce Preparedness saw the need for its "permanent embodiment" and the need for "establishing a comprehensive and strategic planning system for responding to the impending workforce preparedness crisis";

NOW THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

(a) Executive Order Number 107 is hereby terminated, the purpose of the Governor's Commission on Workforce Preparedness established in that Order having been accomplished.

(b) There is hereby established the North Carolina Governor's Commission on Workforce Preparedness ("Commission").

Section 2. MEMBERSHIP

(a) The membership shall consist of the North Carolina Job Training Council and the North Carolina Advisory Council on Vocational and Applied Technology Education. The Commission shall report directly to the Governor.

(b) Notwithstanding the directives of this Executive Order, the two Councils shall continue to perform all duties and responsibilities granted under their respective federal and state mandates.

Section 3. CHAIRPERSON

The Governor shall appoint a chairperson from among the members of the Commission to serve at the Governor's pleasure.

Section 4. EXECUTIVE BOARD

(a) The Governor shall select from among the members of the Commission an Executive Board ("Board") consisting of not less than seven members; provided, however, that a majority of the Board shall be representative of the private sector to the extent practicable. The Board shall provide leadership and guidance to the Commission and all other boards, councils, and committees specified in this Order in carrying out the duties and responsibilities outlined in Section 9.

(b) The Chairperson of the Commission shall also serve as Chairperson of the Board.

(c) The Governor or his designee shall serve as an ex-officio member of the Board.

Section 5. MEETINGS

The Commission or the Board shall meet at such times and locations as designated by the Chairperson.

Section 6. QUORUM

(a) A simple majority of the Commission shall constitute a quorum for the transaction of business by the Commission.

(b) A simple majority of the Board shall constitute a quorum for the transaction of business by the Board.

Section 7. BYLAWS

Both the Commission and the Board shall establish such bylaws as are necessary and appropriate for proper implementation of the directives of this Executive Order and which are consistent with applicable law.

Section 8. FUNCTION

(a) The two Councils shall act in partnership as a single Commission in providing leadership for coordination and strategic planning of workforce preparedness policy.

(b) An Inter-Agency Coordinating Committee (ICC) shall be created to include senior-level management representation from each state department designated as a Workforce Preparedness Program in Section 10(b). The ICC will provide technical and staff support to both the Commission and the Board. The Chairperson and membership of the ICC shall be appointed by the Chairperson of the Commission.

Section 9. PURPOSE

The Commission shall perform the following duties and responsibilities:

(a) Advise and recommend to the Governor, General Assembly, state departments, other public agencies, and the private sector policies and programs that enhance North Carolina's economy through the development of the State's workforce.

(b) Direct coordination among all designated programs identified under Section 10, provided that such coordination shall not interfere with federally mandated duties and responsibilities.

(c) Establish criteria to facilitate the creation of a comprehensive Workforce Preparedness System that is market-driven and customer-focused. The criteria shall include, but not be limited to:

(1) Standards for establishing common definitions and assessment criteria to provide convenient entry at any point into the comprehensive system; and

(2) Standards for creating a data collection system to facilitate better evaluation and more consistent reporting methods and linking of data systems to allow tracking of clients throughout the various programs in the comprehensive system; and

(3) Standards for developing program evaluation methods (and procedures) to assess actual program outcomes.

(d) Submit to the Governor and General Assembly a biennial strategic plan for Workforce Preparedness to include, but not be limited to:

(1) A statement of goals and objectives for the coming biennium; and

(2) An inventory and assessment of all programs identified as part of the workforce preparedness system under Section 10 provided that such inventory and assessment shall not interfere with federally mandated duties and responsibilities; and

(3) An assessment of the vocational education, basic and remedial education, employment, and job training needs of the State's labor market; and

(4) An evaluation of each program in terms of consistency in meeting state goals and objectives, and reaching desired outcomes in relation to the needs of

employers and individual citizens who are in need of program services. This evaluation should also report on the progress of each program in meeting the coordination criteria of the Commission; and

(5) Recommendations for policy changes and funding to ensure effective implementation of the comprehensive system; and

(6) Recommendations for reducing program duplication and effecting cost savings and filling gaps in existing policies and programs.

(e) Develop and promote strategies for cooperation between education, government and the private sector and which leverage private resources for the development of the State's Workforce Preparedness system. These strategies shall specifically focus on promoting school-to-work transition programs for high school students and modernization of the workplace through high performance work organizations.

Section 10. WORKFORCE PREPAREDNESS PROGRAMS AND AGENCIES

(a) Subject to their federally mandated duties and responsibilities, the following federal resources programs are hereby designated as Workforce Preparedness Programs:

- Adult Education Act
- Carl D. Perkins Vocational and Applied Technology Education Act
- Job Training Partnership Act
- Wagner-Peyser Act

- Title IV of the Social Security Act (JOBS -- Welfare-to-Work)
- Title IX of the Social Security Act (Miscellaneous Provisions Relating to Employment Security)
- Vocational Rehabilitation Act
- National Apprenticeship Act
- Food Stamp Act (Workfare)
- Displaced Homemakers Self-Sufficiency Assistance Act
- Internal Revenue Code of 1986 (Targeted Jobs Tax Credit, Work Incentive Program)
- Chapter 2 of the Trade Act (Adjustment Assistance or Workers)
- Title V of the Older Americans Act (Community Service Employment)
- Veteran's Job Training Act

(b) All State resources programs that are vocational -, basic and remedial education-, employment-, and job training-related are hereby designated as Workforce Preparedness Programs.

(c) The Departments of Economic and Community Development, Community Colleges, Labor, Public Instruction, Human Resources, Corrections, and Administration, and all local agencies that provide vocational education, basic and remedial education, employment, and job training services are hereby designated as members of the Workforce Preparedness System.

Section 11. COOPERATION OF STATE AGENCIES

On request all agencies and departments of the State of North Carolina shall cooperate with the Commission and the Board in

their duties and responsibilities as established by this Executive Order.

Section 12. ADMINISTRATION AND EXPENSES

Members shall receive per diem and necessary travel and subsistence expenses in accordance with N.C.G.S. 138-5, 138-6, or 120-3.1.

This Executive Order shall be effective as of January 3, 1992, and shall remain in effect until terminated.

Done in Raleigh, North Carolina, this the 6th day of January, 1992.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina

JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 160
AMENDMENT TO EXECUTIVE ORDER NUMBER 152

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 152 is hereby amended to add the following member to the Persian Gulf War Memorial Commission.

Section 1. **ESTABLISHMENT**

There is hereby established the Persian Gulf War Memorial Commission. It shall be comprised of the following...

11. One at-large member.

This Executive Order shall become effective immediately.

Done in Raleigh, this the 27th day of January, 1992.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State

State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 161
EXTENSION OF EXECUTIVE ORDERS 12, 13, 27, 29, 39, 55, 109, AND 110

WHEREAS, Executive Orders 12, 13, 27, 29, 39, 55, 109 and 110 established certain boards and commissions necessary to promote the general welfare of the citizens of North Carolina;

WHEREAS, good cause has been demonstrated for the extension of these executive orders;

THEREFORE, pursuant to the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. EXTENSION OF EXECUTIVE ORDERS

The Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan, as established by Executive Order Number 39, and reissued by Executive Order Number 93, is hereby extended, retroactive June 20, 1991, without amendment for a period of two years.

The North Carolina Fund for Children And Families Commission, as established by Executive Order Number 27, amended by Executive Order Number 47, and reissued by Executive Order Number 93, is

hereby extended, retroactive June 20, 1991, without amendment for a period of two years.

The North Carolina State Health Coordinating Council, as established by Executive Order Number 13, amended and reissued by Executive Order Number 51, and amended and reissued by Executive Order Number 93, is hereby extended, retroactive June 20, 1991, without amendment for a period of two years.

The Governor's Task Force on Racial, Religious, and Ethnic Violence and Intimidation, as established by Executive Order Number 29, amended by Executive Order Number 44, and amended and reissued by Executive Order Number 93, is hereby extended, retroactive June 20, 1991, without amendment for a period of two years.

The Martin Luther King Holiday Commission, as established by Executive Order Number 55 and amended and extended by Executive Order Number 101, is hereby extended, retroactive September 30, 1991, without amendment for a period of two years.

The Governor's Highway Safety Commission, as established by Executive Order Number 12, extended by Executive Order Number 51, and reissued by Executive Order Number 93, is hereby extended, retroactive June 20, 1991, without amendment for a period of two years.

The North Carolina Sports Development Commission, as established by Executive Order Number 109, is hereby extended, retroactive March 29, 1992, without amendment for a period of two years.

The Governor's Advisory Council on International Trade, as established by Executive Order Number 110, is hereby extended, retroactive March 29, 1992, without amendment for a period of one year.

Section 2. RESCISSION OF EXECUTIVE ORDER

The Advisory Committee on Travel and Tourism, as established by Executive Order Number 8, extended by Executive Order Number 51, and restructured by Executive Order Number 112, is hereby rescinded.

This Executive Order shall become effective immediately.

Done in Raleigh this 21st day of April, 1992.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 162
COUNCIL ON HEALTH POLICY INFORMATION

North Carolina invests significant resources in the creation and maintenance of major health data systems. As a result, we have fundamentally sound health data sets of national renown. Nevertheless, organizational and other barriers prohibit health policy makers from using these data sets and systems to the fullest extent possible in formulating health policy.

Health policy in State government is decentralized. Several public health and environmental programs are located in the Department of Environment, Health, and Natural Resources. Other health related programs such as Medicaid, Mental Health, Developmental Disabilities, Substance Abuse, and the Office of Rural Health and Resource Development are located in the Department of Human Resources. Still other departments such as the Department of Insurance have programs addressing health concerns. These organizational barriers contribute significantly to lost opportunities for creative links between important health data sets.

Moreover, while all of the State's health-related programs and departments maintain data collection systems, data gaps still

remain. Problems stemming from the absence of accessible, reliable, timely health data have hindered the use of data in the formation of health policy.

These generic data problems pose formidable obstacles to obtaining an adequate understanding of the health needs of the residents of North Carolina. Moreover, any deficiencies in State health statistics affect a broad range of organizations that could make use of timely, reliable and objective information for health policy and research. Hence, North Carolina must strive to improve the availability and accessibility of salient health statistics. Furthermore, every opportunity must be taken to foster the general understanding and expanded use of health statistics by policy-makers and others responsible for the delivery of health care services in this State. THEREFORE:

WHEREAS, the value of reliable, timely, and comprehensive health information is crucial for policy-making and program management, and;

WHEREAS, every effort must be made to remove obstacles which hinder the use of data by health policy makers, and;

WHEREAS, interagency communication and cooperation is necessary for agencies responsible for the creation of effective health policy since no single umbrella agency has authority for all health programs, and;

WHEREAS, North Carolina has been awarded funds from the Robert Wood Johnson Foundation to develop a comprehensive State health data plan to enhance the use of health data for policy decision-making and program management;

THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Section 1. ESTABLISHMENT

The Council on Health Policy Information ("the Council") is hereby established. The Council shall consist of not less than 21 members appointed by the Governor.

Section 2. MEMBERS OF THE COUNCIL

The Membership of the Council shall include, but not be limited to, the following persons or their designees:

(1) State Health Director, who will serve as Chairman;

(2) Director of the Division of Medical Assistance, Department of Human Resources;

(3) Director of the Office of State Planning;

(4) Commissioner of Insurance;

(5) State Budget Officer;

(6) Director of Fiscal Research for the General Assembly;

(7) Director of the Office of Rural Health and Resources Development, Department of Human Resources;

(8) Director of the Division of Aging, Department of Human Resources;

(9) Chairperson of the Commission for Health Services;

(10) Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse, Department of Human Resources;

(11) Chairperson of the State Health Coordinating Council;

(12) President of the Association of Local Health Directors;

(13) President of the North Carolina Hospital Association;

(14) President of the North Carolina Medical Society;

(15) Director of the Duke University Institute for Health Policy;

(16) President of the North Carolina Minority Health Center; and

(17) President of Citizens for Business and Industry.

The Membership of the Council shall also include one member of the North Carolina House, one member of the North Carolina Senate, and two representatives of private insurance companies doing business within North Carolina.

The following persons or their designees shall serve as ex-officio members of the Council:

(1) Director of the State Center for Health and Environmental Statistics;

(2) Executive Director of the Medical Database Commission; and

(3) Director of the Health Policy Unit of the Cecil G. Sheps Center for Health Services Research, University of North Carolina School of Public Health.

All members shall serve at the pleasure of the Governor. All vacancies shall be filled by the Governor.

Section 3. FUNCTIONS

A. The Council shall meet monthly, or by call of the Chairman.

B. The Council shall submit to the Governor a State Health Data Plan by May 1, 1993, that outlines:

(1) How North Carolina can further enhance data-based health policy-making through improved health statistics and information systems; and

(2) How best to institutionalize a process for collaborative health policy formulation and implementation.

C. To execute its responsibilities the Council shall have the power to:

(1) collect existing program data and request additional data from public and private sources as needed,

(2) hold public hearings; and

(3) set up ad hoc committees as necessary and appropriate to fulfill its responsibilities.

Section 4. ADMINISTRATION

A. Financial support for the Council shall be provided through a grant from the Robert Wood Johnson Foundation to be administered by the Department of Environment, Health and Natural Resources.

B. Members of the Council shall be reimbursed for necessary travel and subsistence expenses as authorized under General Statute 138-5 and 138-6. Funds for such expenses shall be made available from funds provided by the grant from the Robert Wood Johnson Foundation.

C. The continuation of this Executive Order, or any renewal or extension thereof, is dependent upon and subject to the allocation of appropriation of funds for the purposes set forth herein (N.C.G.S. 143-34.2).

D. Each cabinet department involved shall make every reasonable effort to cooperate with the Council to implement the provisions of this order.

Section 5. TERM

This Executive Order shall become effective immediately and shall expire, subject to the condition of Section 4C, in accordance with North Carolina law two years from the date hereof. It is subject to reissuance at the discretion of the Governor.

Done in Raleigh, North Carolina, this 1st day of May, 1992.

James G. Martin
James G. Martin
Governor

ATTEST:
Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 163
AMENDMENT TO EXECUTIVE ORDER NUMBER 151

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 151 is hereby amended to add the following members to the Governor's Advisory Commission on Military Affairs:

Section 1. ESTABLISHMENT

The Governor's Advisory Commission on Military Affairs is hereby re-established. It shall be comprised of thirty-five (35) members. Nineteen (19) members are to be appointed by the Governor and serve for terms of two (2) years at the pleasure of the Governor. In addition to the nineteen (19) appointed members the following sixteen (16) will be permanent members:

(1) Lieutenant Governor of North Carolina;

(2) Chairpersons of the Military Affairs Committees of the North Carolina House of Representatives and the North Carolina Senate;

(3) Secretaries of the Departments of Administration, Transportation, Environment, Health and Natural Resources, Crime Control and Public Safety, and Economic and Community Development;

(4) Base Commanders of Fort Bragg, Camp Lejeune, Cherry Point and the Elizabeth City Coast Guard Air Station;

(5) Wing Commanders of the 4th Tactical Fighter Wing and the 317th Tactical Airlift Wing;

(6) Executive Director of the North Carolina Ports Authority; and

(7) Adjutant General of the North Carolina National Guard.

The Governor shall designate one of the members as Chairperson.

This Executive Order shall become effective immediately.

Done in Raleigh, this the 30th day of April, 1992.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 164
EXTENDING THE PROVISIONS OF EXECUTIVE ORDER NUMBER 114,
AS SUPPLEMENTED BY EXECUTIVE ORDER NUMBER 130,
FOR FISCAL YEAR 1991-92

Reference is made to Executive Order Number 114 dated May 8, 1990, and Executive Order Number 130 dated January 9, 1991.

It has been determined from the continuing survey of the collection of revenues for the 1991-92 fiscal year made by the Office of State Budget and Management, that unless economies are effected in State expenditures as allowed in Executive Order Number 114 and Executive Order Number 130, the State will incur a deficit in the administration of its General Fund budget.

THEREFORE, pursuant to authority granted to the Governor by Article III, Sec. 5(3) of the Constitution and to fulfill the duties required of the Governor thereunder:

1. It is found as a fact that based on General Fund Revenue Collections through March, 1992, and projections for the collection of these revenues through June, 1992, actual receipts of General Fund revenues for the 1991-92 fiscal year will not meet those anticipated and budgeted by the 1991 General Assembly.

2. From this fact it is determined and concluded that unless economies in State expenditures are made as allowed in Executive Order Number 114 and Executive Order Number 130, the State's General Fund expenditures will exceed General Fund receipts for the 1991-92 fiscal year.

3. To insure that a deficit is not incurred in the administration of the General Fund budget for the 1991-92 fiscal year, the economies in State expenditures allowed by Executive Order Number 114 and Executive Order Number 130 are found to be necessary.

THEREFORE, it is ORDERED:

Section 1. Effective May 1, 1992, and until further notice, the economies in State expenditures allowed by Executive Order Number 114 and Executive Order Number 130 shall be put into effect at such times and in such amount and as directed by the Office of Budget and Management.

Section 2. This Order shall become effective May 1,

1992, and shall remain in effect until rescinded by further Executive Order.

Done in the Capital City of Raleigh, North Carolina, this 1st day of May, 1992.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 165
EXTENSION AND RESTRUCTURING OF EXECUTIVE ORDER NUMBER 43

Whereas, there is a need to restructure the North Carolina Emergency Response Commission in order to foster safety for the citizens of North Carolina;

Therefore, pursuant to the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 43, as amended by Executive Order Numbers 48 and 50, and reissued pursuant to Executive Order Number 93, is hereby extended, retroactive June 20, 1991, for a period of two years, and is hereby amended as follows:

Section 1. ESTABLISHMENT

There is hereby established the North Carolina Emergency Response Commission (the "Commission"). The Commission shall consist of not less than seventeen (17) members and shall be composed of at least the following persons:

Director, Division of Emergency Management, Department of Crime Control and Public Safety, who shall serve as Chairperson;

State Highway Patrol Hazardous Materials Coordinator, Department of Crime Control and Public Safety;

Safety Director, Department of Agriculture;

Supervisor, Facilities Assessment Unit, Division of Environmental Management, Department of Environment, Health and Natural Resources;

Director, Solid Waste Management Division, Department of Environment, Health and Natural Resources;

Director, Radiation Protection Division, Department of Environment, Health and Natural Resources;

Director, Office of Waste Reduction (Pollution Prevention Program), Department of Environment, Health and Natural Resources;

Director, Emergency Planning, Division of Highways, Department of Transportation;

Chief, Transportation Inspection, Division of Motor Vehicles (Enforcement Section), Department of Transportation;

Manager, Training/Standards Program, Fire and Rescue Services Division, Department of Insurance;

Chief, Emergency Medical Services, Division of Facility Services, Department of Human Resources; and

Six at-large members from local government and private industry with technical expertise in the emergency response field to be appointed by the Governor and serve for terms of two (2) years at the pleasure of the Governor.

This Executive Order shall become effective immediately.

Done in Raleigh, this the 23rd day of April, 1992.

James G. Martin

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 166
AMENDMENT TO EXECUTIVE ORDER NUMBER 119

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 119 is hereby amended to reorganize the North Carolina Quality Leadership Awards Council as follows:

Section 1. Establishment.

The North Carolina Quality Leadership Awards Council is hereby established. The Council shall have the following subordinate committees:

A. the Examination Board;

B. the Recognition Committee; and

C. such other committees as the Council shall create.

Section 2. Membership.

The Council shall consist of not more than thirty (30) members, including:

A. The Secretary of Economic and Community Development;

B. the President of the University of North Carolina System;

C. the President of the Community College System;

D. the Science Advisor to the Governor;

E. a member recommended by the Lieutenant Governor;

F. a member recommended by the Speaker of the House;

G. the President of North Carolina Citizens for Business and Industry;

H. the President and Chairman of the Board of the North Carolina Quality Leadership Foundation;

I. four industrial representatives appointed by the Governor; and

J. no more than twelve (12) ranking officials of Award recipient organizations, serving three year terms starting in the year subsequent to winning the Award.

Section 7. This Order shall become effective immediately and shall not expire unless terminated by further Executive Order.

Done in Raleigh, this the 15th day of May, 1992.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina

JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 167
AMENDING EXECUTIVE ORDER NUMBER 152 AND ESTABLISHING THE PERSIAN GULF WAR MEMORIAL ADVISORY COMMITTEE

By the authority vested in me by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 152 is hereby amended as follows:

PART I
PERSIAN GULF WAR MEMORIAL COMMISSION

Section 1. ESTABLISHMENT

There is hereby established the Persian Gulf War Memorial Commission. It shall be comprised of the following:

1. Two members of families who lost relatives in the Persian Gulf to be appointed by the Governor.
2. One member from the North Carolina Veterans' Council to be elected by the Council.
3. One member from the North Carolina Veterans' Affairs Commission to be elected by the Commission.

4. The Adjutant General of the North Carolina National Guard.

5. The Senior Commander of the United States Army Reserve from North Carolina, deployed to the Persian Gulf.

6. The Lieutenant Governor of North Carolina.

7. The Secretary of the North Carolina Department of Administration.

8. The Secretary of the North Carolina Department of Crime Control and Public Safety.

9. Not more than five at-large members.

From among the membership the Governor shall appoint a chairperson. The Commission shall meet at the call of the chairperson.

Section 2. PURPOSE

The purpose of the Commission is to select a site for construction of a Persian Gulf War Memorial, to select a design for the Memorial, to develop plans for funding, and to select a construction firm to construct the Memorial. To this end, the Commission shall establish itself as a nonprofit, Chapter 501c(3) corporation for the purpose of receipt and expenditure of donated funds. The chairperson periodically shall advise the Governor as to the progress of the Commission.

PART II
PERSIAN GULF WAR MEMORIAL ADVISORY COMMITTEE

Section 1. ESTABLISHMENT

There is hereby established the Persian Gulf War Memorial Advisory Committee. It shall be comprised of the following:

1. The base commanders of (a) Fort Bragg, (b) Camp Lejeune, (c) United States Marine Corps Air Station at Cherry Point, (d) Seymour Johnson Air Force Base, (e) Pope Air Force Base, (f) the Coast Guard Station at Fort Macon, (g) New River Air Station, and (h) Elizabeth City Coast Guard Air Station, or their designees.
2. The Director of the United States Department of Veterans' Affairs Regional Office.

Section 2. PURPOSE

The purpose of the Advisory Committee shall be to assist the Persian Gulf War Memorial Commission in its selection of both a site for construction of a Persian Gulf War Memorial and a design for the Memorial. The Advisory Committee shall meet with the Commission at the call of the Commission chairperson, but shall have no vote in its final decisions nor role in any fund raising activities.

PART III
ADMINISTRATION

Administrative support for both the Commission and the Advisory Committee shall be provided by the Department of Administration and the Department of Crime Control and Public Safety. There shall be no per diem paid to members of either the Commission or the Advisory Committee; however, necessary travel and subsistence allowance may be paid in accordance with N.C.G.S. 138-5, 138-6, and 120-3.1.

PART IV
EFFECTIVE DATE

This Order shall be effective immediately.

Done in the Capital City of Raleigh, North Carolina, this the 26th day of May, 1992.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 168
NORTH CAROLINA INTERAGENCY COUNCIL FOR COORDINATING HOMELESS PROGRAMS

WHEREAS, the problem of homelessness denies a segment of our population their basic human need for adequate shelter; and

WHEREAS, several State agencies offer programs and services for homeless persons. To combat the problem of homelessness most effectively, it is critical that these agencies coordinate program development and delivery of essential services.

Therefore, by the authority vested in me as Governor by the Constitution and laws of North Carolina, it is ORDERED:

Section 1. ESTABLISHMENT

The North Carolina Interagency Council for Coordinating Homeless Programs (the "Interagency Council") is hereby established.

Section 2. MEMBERSHIP

The Interagency Council shall consist of the Deputy Secretary of the North Carolina Department of Human Resources and not less than 14 members who shall be appointed by the Secretary of the Department of Human Resources from the following organizations:

Department of Administration	1
Housing Finance Agency	1
Office of State Planning	1
Department of Community Colleges	1
Department of Cultural Resources	1
Department of Economic and Community Development	1
Department of Environment, Health and Natural Resources	1
Department of Human Resources	1
State Board of Education or its designee from the Department of Public Instruction	1
Department of Insurance	1
Non-Profit Agency Concerned with Housing Issues and the Homeless	1
Non-Profit Agency Concerned with the Provision of Supportive Services to the Homeless	1
Member of N.C. Senate	1
Member of N.C. House	1
TOTAL	14

Section 3. TERMS OF MEMBERSHIP

The Deputy Secretary of the Department of Human Resources shall serve on the Interagency Council during his or her term of employment in that position. Terms of membership for the other members of the Interagency Council shall be staggered so that the terms of approximately one-half of the members shall expire in a single calendar year. Terms shall be staggered in the following manner for the first two years:

7 serving one year

7 serving two years

After the first two years, each appointment shall be for a term of two years.

Section 4. CHAIR

The Chair of the Interagency Council shall be the Deputy Secretary of the Department of Human Resources.

Section 5. MEETINGS

The Interagency Council shall meet quarterly and at other times at the call of the Chair or upon written request of at least (5) five of its members. All business meetings of the Interagency Council, its committees and subcommittees or special task forces shall be open to the public.

Section 6. FUNCTIONS

The Interagency Council shall have the following duties:

1. To identify state level programs and services which address the needs of the homeless.
2. To negotiate a definition of specific state agency responsibilities with regard to services for the homeless.
3. To develop policies and procedures and interagency memoranda of agreement to:
   a. Facilitate sharing of information and resources among involved agencies.
   b. Facilitate interagency referrals.
   c. Reduce and eliminate barriers to service.
   d. Target and maximize the effective utilization of existing resources.
   e. Facilitate cost sharing among agencies.
4. To coordinate the provision of information regarding the extent and scope of problems of the homeless in North Carolina for the purposes of planning and implementing programs and services.

5. To assist agencies in identifying and obtaining new sources of funding for the enhancement of current programs and services, and for new programs.

6. To review the current funding of programs and services to assure:

   a. the cost effectiveness of programs and funding utilization; and

   b. the maximum utilization of federal funding.

7. To prepare an annual report which identifies:

   a. the needs of the homeless;

   b. the current status of programs and services for the homeless;

   c. the adequacy of current funding for programs and services for the homeless;

   d. the priorities of state level programs and services; and

   e. recommendations for fiscal, programmatic, and legislative actions to address recognized priorities.

Section 7. TRAVEL AND SUBSISTENCE EXPENSES

Members of the Interagency Council shall receive necessary travel and subsistence expenses in accordance with the provisions of G.S. 120-3.1 or 138-5.

Section 8. STAFF ASSISTANCE

The Division of Economic Opportunity of the Department of Human Resources shall provide administrative and staff support services required by the Interagency Council.

Section 9. EFFECTIVE DATE AND EXPIRATION

This Executive Order shall become effective immediately and will expire in accordance with North Carolina law two years from the date it is signed. It is subject to reissuance at expiration.

Done in the Capital City of Raleigh, this the 29th day of May, 1992.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 169
CRIMINAL RECORD CHECKS OF APPLICANTS FOR DIRECT CARE POSITIONS WITHIN THE DEPARTMENT OF HUMAN RESOURCES

WHEREAS, the State of North Carolina endeavors to promote the safety of the residents and clients of institutions operated by the Department of Human Resources, including protection from physical or sexual abuse or related conduct, and

WHEREAS, federal regulations established for Intermediate Care Facilities for the Mental Retarded prohibit the Department of Human Resources from employing individuals with a history of child or client abuse or related conduct in its mental retardation centers, and

WHEREAS, careful reviews of applications and employment reference checks have not always been effective in screening out applicants for employment with histories of client or child abuse or related conduct, and

WHEREAS, a credible source of information on North Carolina criminal records of applicants for employment in direct care positions is the criminal history record information maintained by the State Bureau of Investigation, Division of Criminal Information ("DCI").

NOW, THEREFORE, by the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

1. **Criminal Background Investigations.**

The Department of Human Resources shall conduct a criminal background investigation through access of the criminal history record information for individuals who have been selected for employment in a direct patient/resident/client care position in the Division of Services for the Blind, Division of Services for the Deaf and Hard of Hearing, and the following institutions operated by the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services: Western Carolina Center, Black Mountain Center, Murdoch Center, O'Berry Center, Caswell Center, Broughton Hospital, John Umstead Hospital, Dorothea Dix Hospital, Cherry Hospital, Black Mountain Alcohol and Drug Abuse Treatment Center, Butner Alcohol and Drug Abuse Treatment Center, Walter B. Jones Alcohol and Drug Abuse Treatment Center, Whitaker School, Wright School, N.C. Special Care Center and Butner Adolescent Treatment Center; provided, however, that such individuals shall be required to sign a statement which advises them that a criminal background investigation will be conducted and that the information obtained, if confirmed by the submission of fingerprints to DCI, may be used as a basis to deny employment. In the event of reasonable grounds therefor, the Secretary of Human Resources or his designee(s) shall request further criminal record checks through the submission of fingerprints to DCI.

2. Denial of Employment.

Consistent with federal and state fair employment laws, the Department of Human Resources shall deny or discontinue employment in direct patient/resident/client care positions of any applicant or employee who has been convicted of a criminal offense involving or has engaged in unlawful sexual conduct, assault or other violent behavior, or any type of child abuse, elder abuse, client abuse or related conduct, or any felony arising out of possession or sale of controlled substances.

3. Administration and Procedure.

The Department of Justice shall adhere to its established procedures and shall charge the Department of Human Resources a reasonable fee when it conducts a criminal record check through the submission of fingerprint information pursuant to this Executive Order. The fee charged shall not exceed the actual cost of locating, editing, researching, and retrieving the information.

4. Confidentiality of Information.

Criminal histories obtained by the Department of Human Resources through DCI or otherwise shall be confidential and access thereto shall be limited to those persons authorized by the Secretary of Human Resources. Unauthorized disclosure of any such information may result in severe disciplinary action, including dismissal, and as provided in N.C.G.S. 126-27 and 126-28 or successor statute.

5. Effective Date.

This Order shall be effective immediately.

Done in the Capital City of Raleigh, North Carolina, this the 26th day of June, 1992.

James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 170
AMENDMENT TO EXECUTIVE ORDERS
NUMBER 151 AND NUMBER 163

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Orders Number 151 and Number 163 are hereby amended to add the following members to the Governor's Advisory Commission on Military Affairs:

Section 1. ESTABLISHMENT

The Governor's Advisory Commission on Military Affairs shall be comprised of thirty-six (36) members. Twenty (20) members are to be appointed by the Governor and shall serve for terms of two (2) years at the pleasure of the Governor. In addition to the twenty (20) appointed members the following sixteen (16) will be permanent members:

(1) Lieutenant Governor of North Carolina;

(2) Chairpersons of the Military Affairs Committees of the North Carolina House of Representatives and the North Carolina Senate;

(3) Secretaries of the Departments of Administration, Transportation, Environment, Health and Natural Resources, Crime Control and Public Safety, and Economic and Community Development;

(4) Base Commanders of Fort Bragg, Camp Lejeune, Cherry Point and the Elizabeth City Coast Guard Air Station;

(5) Wing Commanders of the 4th Tactical Fighter Wing and the 317th Tactical Airlift Wing;

(6) Executive Director of the North Carolina Ports Authority; and

(7) Adjutant General of the North Carolina National Guard.

The Governor shall designate one of the members as Chairperson.

This Executive Order shall be effective immediately.

Done in Raleigh, this the 29th day of June, 1992.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 171
EXTENSION OF EXECUTIVE ORDER 45

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Executive Order Number 45, as reissued and extended by Executive Order Number 93, and as amended and extended by Executive Order Number 111, is reissued and extended for a period of two years, unless terminated earlier or extended by further Executive Order.

This Executive Order shall be effective immediately.

Done in Raleigh, North Carolina, this the 13th day of July, 1992.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State



State of North Carolina



JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 172
INCREASED RECYCLED PRODUCT PROCUREMENT AND
EXPANDED SOLID WASTE REDUCTION ACTIVITY
BY STATE AGENCIES

By the authority vested in me by the Constitution and laws of North Carolina, IT IS ORDERED:

Pursuant to my constitutional obligation to see that the laws are faithfully executed and in accordance with the requirements of N.C.G.S. 130A-309.14, I direct the Department of Administration to promulgate rules and regulations that satisfy the requirements and policies of N.C.G.S. 130A-309.14 and this Executive Order. All departments are invited to comment fully on the requirements of this Order as part of the rule making process.

Section 1. PURPOSE

That all state departments shall maximize opportunities to reduce the amount of solid waste they generate, to recycle material recoverable from solid

waste originating at their facilities, and to maximize procurement of recycled products.

Section 2. APPLICABILITY

For the purposes of the administrative rules and regulations, "state departments" shall include state government departments, the General Assembly, the General Court of Justice, and the University of North Carolina pursuant to the requirements of N.C.G.S. 130A-309.14.

Section 3. REQUIREMENTS

(a) Oversight

Each department head shall designate an individual or group of individuals to see that the requirements of the administrative rules and regulations are fulfilled.

(b) Disposal

(1) All state departments shall ensure that employees have access to containers for recycling office paper and aluminum cans.

(2) All state employees are required to use the recycling containers for identified recyclable materials generated in the course of department operations. It shall be the duty of each state department to educate its employees about department recycling/waste reduction goals and procedures and to ensure participation.

(c) Reporting

(1) On at least an annual basis, beginning October 1, 1993, each state department shall report to the Office of Waste Reduction in the Department of Environment, Health and Natural Resources the amounts and types of materials recycled by the department during the course of department operations. The report shall also document activities or programs implemented to reduce the amount of waste generated by the department.

(2) The Office of Waste Reduction shall compile this information and provide an annual update to the Governor on the status of recycling and waste reduction by state government.

Section 4. PURCHASE AND USE OF RECYCLED PRODUCTS BY STATE AGENCIES

To set an example for local government and the private sector, and to support recycling efforts mandated by N.C.G.S. 130A-309.09B, all state departments shall encourage the use of recycled products.

(a) Goals

It shall be the goal of state government to increase its purchase of goods and supplies made from recycled materials, as compared with the amount purchased during fiscal year 1992-93, by at least the following percentage of goods and

supplies made from recycled materials: 20% by June 30, 1994; 25% by June 30, 1995; 30% by June 30, 1996; and 40% by June 30, 1998.

(b) Guidelines

The Department of Administration and the Department of Environment, Health and Natural Resources shall develop guidelines for minimum content standards for recycled products purchased by state agencies.

(c) Purchasing

(1) In cooperation with the Office of Waste Reduction, the Division of Purchase and Contract in the Department of Administration shall make every effort to identify products made from recycled materials that meet appropriate standards for use by state departments.

(2) A list of recycled products available on state contract shall be published on a semi-annual basis and distributed to all potential purchasers to increase awareness of opportunities to purchase recycled products.

(d) Recycled Paper

State departments are directed to purchase and utilize recycled paper for all reports, memoranda, and other documents unless a written

authorization is obtained from the agency head or a designee.

(e) Reporting

Beginning October 1, 1993, each state department shall submit an annual report to the Office of Waste Reduction documenting the amounts and types of recycled products purchased during the course of the previous fiscal year. The Office of Waste Reduction shall prepare a summary of recycled product purchasing by state government departments to submit to the Governor annually.

(f) Department Review

State departments having delegated purchasing authority shall review their existing specifications to ensure that restrictive language or other barriers to purchasing recycled products are removed, provided staff exists to perform this task.

Section 5. REDUCTION OF WASTE

(a) Photocopiers

To encourage source reduction of waste, all state departments shall require two-sided copying on all documents whenever feasible. All new photocopy machines purchased shall have duplexing capabilities if their capacity is rated at sixty thousand (60,000) copies or more per month. Care

shall be exercised to avoid unnecessary printing or photocopying of printed materials.

(b) Miscellaneous

State departments shall discourage the use of disposable products where reusable products are available and economically viable for use. Further, state departments shall assess their waste generation with regard to purchasing decisions and make every attempt to purchase items only when needed and in amounts that are not excessive. When purchases are necessary, preference shall be given to durable items, items having minimal packaging, and items that are readily recyclable when discarded.

Section 6. EFFECT OF OTHER EXECUTIVE ORDERS

Departments shall notify the Office of the Governor of all Executive Orders or portions of Executive Orders inconsistent with the mandates of this Order and the rules and regulations to be promulgated pursuant to the Order so that noncomplying Orders may be brought into compliance.

Section 7. EFFECTIVE DATE

This Executive Order shall be effective immediately.

Done in Raleigh, North Carolina, this the 24th day of July, 1992.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State



State of North Carolina

JAMES G. MARTIN
GOVERNOR

EXECUTIVE ORDER NUMBER 173
EXTENDING EXECUTIVE ORDER 106
WHICH EXTENDED EXECUTIVE ORDER 66

By the authority vested in me as Governor by the Constitution and laws of North Carolina, IT IS ORDERED:

Effective January 29, 1992, Executive Order Number 106 extending Executive Order Number 66 establishing the State Employees Combined Campaign, is extended.

Done in Raleigh, this the 24th day of July, 1992.

James G. Martin
James G. Martin
Governor

ATTEST:

Rufus L. Edmisten
Rufus L. Edmisten
Secretary of State

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